Report of the Committee
of
Bengal Chamber of Commerce
Nov. 1875 to April 1878

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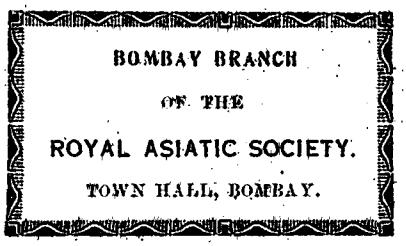

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REPORT

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

133019

From 1st November 1875 to 30th April 1876.

Calcutta:

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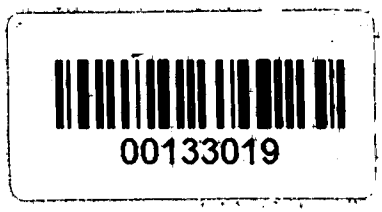
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Proceedings of the half-yearly General Meeting of the Bengal Chamber of Commerce, held on Wednesday, the 31st May 1876.

J. MORISON, ESQUIRE, *Vice-President*, in the Chair.

THE CHAIRMAN, in opening the meeting said :— Gentlemen, this usual half-yearly meeting has been called for the purpose of receiving the Report of our proceedings for the past six months, the election of a Committee for the current year, and for any other business that may be brought forward. As copies of the Report have been circulated among members, I think it may be taken as read. Your President, Mr. E. C. Morgan, having left this country in March last, the members of the Chamber were unanimously agreed that there was no necessity to elect a successor for the short space of two months ; and, in consequence of that determination, it is now my duty to present the Report.

The first subject which appears therein is the important one of the annual Financial Statement. It is very satisfactory to see how elastic the revenues continue to be ; and but for that

great sink of money, the Department of Public Works, we might confidently reckon on a considerable surplus annually.

The Customs revenue, notwithstanding the remissions of duty under the Tariff Act of last year, shows a satisfactory increase; and Excise gives a large surplus, attributable, doubtless, to greater vigilance in the collection; while in nearly every other item the healthy state of the revenue is thoroughly established. On the other side of the account, it is evident that an effort is being made to reduce expenditure; and it is satisfactory to have the assurance of the Financial Member that the outlay on extraordinary Public Works will be curtailed as far as possible. These efforts at reduction, however, will not, I hope, interfere with the opening up of the country by light railways and canals; for it is to the increase of our exports, mainly, that we must look for such a restoration of the balance of trade in our favour as will more than counterbalance the effects of the enormously increased drawings on India by the Secretary of State.

The one great item on the debit side of the Budget which more immediately affects us, as merchants, is the loss by exchange on the Council Drafts; and you will see that the subject has largely engaged the attention of your Committee.

All of us, I presume, must have had painful experience of the great losses sustained by trade during the past four months, caused by the extreme and rapid fluctuations of the exchanges, and the utter impossibility of making any calculations on them. This uncertainty, I take it, is largely attributable to the irresolute policy pursued by the Secretary of State in financing for his Home requirements. We have all heard and read a good deal of nonsense about the Exchange Banks combining not to pay more than a certain price for the Council Bills; but, leaving out of the question the extreme unlikelihood of any such combination among competing institutions whose wants at any one moment vary so much, it seems to be forgotten that the value of these Bills is entirely ruled by the price of silver in the London market.

To me it seems that the Secretary of State does not stand in the same position as a merchant with a certain commodity to sell; for the amount he has to dispose of is so enormous, and influences so largely the general conditions of trade, as to give him complete command of the money market, while he can at any moment stop selling, and at the same time lock up in the treasuries here the money that would otherwise pass into circulation, thus creating an artificial scarcity of the ordinary currency of the country. Having such

unlimited power, the Secretary of State, in my opinion, has not the right to rig the money market for his own gain, and to the loss and ruin of the tax paying community; and, yet, in spite of the urgent remonstrances of the mercantile community, such a course, so marked in its contrast to the policy of the English Government in its dealings in a crisis with the Bank of England, has been pursued by him. Even for his own interests, I look upon his policy as a mistake; for, by keeping the Banks and the public in the dark, he aggravated the uncertainty, and made it a matter of the greatest risk to buy silver for remittance.

The pith of the whole matter is not far to seek. With the enormous decrease in the value of the Bombay cotton crop, and a general depreciation in nearly every article of Indian production, the balance of trade, after adding the Council Drafts to the total value of imports, is against India. There is, therefore, no margin left for the importation of bullion, and hence the excessive influence of even a small supply of silver on the London market.

The cure for the evil, short of a change of standard, will, I fear, be of slow growth, though I think it will come eventually in the shape of increased exports, or decreased imports, or both

combined. The lower values of Indian produce in London, caused by over-supplies, will naturally tend to increase the consumption; and when trade has been relieved from the incubus of large stocks and has resumed a healthy tone, the enhanced prices which the exporter can give, when exchange is low, will also tend to increase the production. On the other hand, the contraction of credit in England and the unremunerative nature of the import trade are gradually, but surely, bringing about a decrease in the total value of this branch of business.

As regards the larger question of a change of standard, I confess the subject is one on which I am not prepared to give a very decided opinion; but it seems to me that Government is imperatively called upon to protect its own currency, and not to allow India to become the sink of what is now a comparatively debased metal. There is a Committee of the House of Commons now considering the question of the production of silver, and if their report shows, what I think there is no doubt it will, that there is no limit to the quantity which can be produced, then the sooner the problem of a gold standard is faced the better, and the less will be the loss to the country by such a conversion. The probable cost of that conversion is a very difficult point, and opinions thereon differ greatly; but the example of Hol-

land seems to point to the conclusion that it may not be so very costly after all, and that it can be done without much of a jar to trade.

The advantages which India possesses for a change of standard seem to me to be these—that the transactions of the country, though in the aggregate very large, are individually small, and not suited for gold coins ; and that, with the conservative habits of the people and their dislike for change, the rupee would remain the principal medium for daily transactions, the limit of the legal tender being fixed at a high figure. I am open to conviction on the point, but it seems to me that there is no special virtue in fixing the limit of tender for token money at a low figure, such as 40s. in England. The Government taking the coining of rupees entirely into its own hands, and keeping them up at their present weight and standard of purity, they would continue to be, as heretofore, the principal medium for internal commerce ; while the gold coin would rule the foreign exchanges, and keep them steady. The knowledge that Government had a certain supply of gold coins in hand, which they were prepared to exchange for rupees at a certain rate, would of itself tend to stop any demand for them, as the Banks, no longer able to import silver, would find it suit their purposes best to draw at nearly the equivalent value of the gold coin in England, and so pro-

vide the means of remittance. I quite admit that these are crude ideas, and that I may be mistaken in my views; but, so far, I have not heard any arguments against them which had much weight to my mind.

The next subject I have to refer to is the much debated one of the duties on imported cotton goods; and you will see from the correspondence that your Committee have given forth no uncertain sound on this matter.

Manchester has been accused of selfishness and of a desire that India should be ruled for her benefit. We have had the duty of the Indian Government to nourish an infant industry, and to protect India from the rapacity of Lancashire, unceasingly dinned into our ears. Through all this clamour, it seems to be forgotten that Manchester is not asking for any benefit to herself, or demanding anything which will increase the sale of her productions at the expense of other people. All that she wants is to be allowed to compete on equal terms with the local mills, and, in opposing that demand, local agitators seem to forget the first principles of free trade; for in advocating protection they are only putting the case of the local manufacturers, to the exclusion of that of the consumer. At present, the duty merely helps to

swell the profits of the local mills, and comes in reality out of the pockets of the Indian public.

The talk, too, of helping an infant industry is childish in the extreme ; for if that infant industry cannot compete with Manchester alone, how is it likely to flourish when, in an adult state, the local mills have, in addition, to compete with each other.

The figures given in the Committee's letter of the 13th instant show how formidable is the competition with which imported yarns have to contend ; and I have since learned that our figures are under the mark, there being over one million of spindles at work in the Bombay presidency, which, at 50lbs. per spindle per annum, would give 50,000,000lbs. production, against a total import of less than half that quantity. I trust that such a reasonable request as we have preferred will not be refused us by a Government pledged to the abolition of all import duties on cotton goods. The Committee would be glad to see such an abolition ; but, as the country can hardly afford the relief all at once, we felt that a gradual process would be most suitable, and we consequently took up the article which feels the competition most keenly, and when there would be no difficulty in making the change. At the same time, I contend that all our imports are

suffering, especially the lower qualities of grey goods, and that we must not rest until the whole of the trade is relieved.

I would take this opportunity of referring to an impression prevailing extensively among those not personally acquainted with the Manchester trade, and which has been maliciously fostered by interested parties, that the cotton goods of Lancashire are all heavily weighted with deleterious substances. That belief I utterly repudiate. If a buyer wants an honest cloth, he can get it by paying the price for it; if he wants a filled cloth, it is there for him to buy at the lower price; but there is no attempt at concealment, nor can there be any, as the most ignorant can see at a glance the difference.

On the subject of the Tariff Act of last year, it cannot but be gratifying to the Chamber that the position the Committee took up regarding the passing of the Act at Simla, and the levying an import duty on long stapled cotton, has been so emphatically endorsed by the Secretary of State; and we may now hope that such hole and corner legislation will not be again resorted to.

On the subject of the New Telegraph Rules I think we have great cause of complaint. Not only were we left in the dark as to what changes

were intended, but we had been led to believe that figures would be preferred to words; and, under that impression, a great many figure codes were drawn up at great trouble and expense, both of which are now lost, as the 50 per cent. extra charged on them is practically prohibitory. Then, the limiting the length of words to 10 letters necessitated an entire overhauling of all the word codes. Changes in such an important means of communication should not be made without consulting those whose business forms the greater part of the work done; and we might, at least, have expected that the Indian representative, at whose instance all the changes were made, would have told us what he proposed to do, in time for us to communicate our opinions thereon to Government. The Director General's assumption that all the codes are made in England is not warranted by facts, and he forgets that, even if they were, communications have to pass to and fro about any proposed alterations before they can be used. I understand also that it was proposed at the conference, and nearly carried, that no code words would be allowed at all, and that all messages would have to be written in ordinary colloquial language. Such a change would be equivalent to abolishing the Penny Post in England, and substituting a six-penny one, and I leave you to guess what would have been the result.

I would greatly deprecate the spirit of antagonism which runs through all the communications of the Director General to those who are the best friends of the Department, and I venture to assert that a liberal policy would redound to the advantage of every one, and to increased receipts at the Telegraph Office.

On the question of Marine Surveys the Committee have nothing satisfactory to report. The matter remains in abeyance, pending the consolidation and amendment of the Merchant Seamen's Act; and a communication from the Chamber urging immediate legislation has met with no response. Looking to the importance of the subject, this reticence is greatly to be regretted, more especially as there seems to be no immediate connection between a marine surveyor and a merchant seaman, or why legislation for the one should wait for legislation for the other. Having so competent an authority as the Port Commissioners willing to undertake the duty, there was no reason why surveyors should not have been placed under them.

Regarding the proposed Merchant Seamen's Act itself, it is another instance of the recklessness of amateur legislation; and the Committee, while offering their opinion on the various sections, felt constrained to record their belief that there was

no need for legislation at all, and that the Merchant Shipping Act of 1854 was sufficient for all practical purposes.

To me it seems as if the sole object of the proposed legislation were to get rid of the loaferism which is now such a crying evil, at the expense of the shipping. Now, although it is quite right that seamen who have been shipwrecked, discharged, or left behind, or what is commonly called distressed seamen, should be properly cared for, and a homeward passage provided for them; yet that ships should be bound to take any destitute European, who by hook or by crook got a certificate that he was a distressed seaman, is carrying the liberality of Government, at the expense of other people, rather too far. Then, the provision to fine or imprison the agent of a ship if he does not give notice of the desertion of a seaman, within 48 hours thereof, is absurd; for he has nothing to do with the crew, and the captain would be the first to resent any interference of his with the men. Equally opposed to common sense is clause No. 8, which holds out a direct premium to insubordination among the seamen, by offering them the chance of getting home as passengers at the expense of their late ship, if they only make themselves obnoxious enough to their captain.

With these few remarks, I beg to propose that the Report be adopted.

Mr. J. C. MURRAY seconded the Resolution, which was put, and carried unanimously.

The CHAIRMAN then called attention to a proposition which had already been submitted to members in the Committee's circular of 17th January last, and which he hoped would now be accepted by the Meeting. The Committee had recommended that, for the purpose of converting sterling freight payable in Calcutta, the rate of 2 shillings per rupee, which had been adopted some 15 years ago, should be altered to a rate in conformity with the established fall in exchange: and a large majority of members were of opinion that the proposition should be adopted. He therefore submitted the following resolution:—"That the resolution adopted at a special General Meeting of the Chamber of Commerce held on the 18th June 1861, is hereby superseded; that the conversion into Indian currency of sterling freight payable in Calcutta on goods from Great Britain or any port or place where the freight is expressed in sterling money shall be made payable by an approved Bank Bill on demand, or at the rate for Bank Bills on London payable on demand, unless otherwise stipulated; that the rate ruling at the close of a mail shall

be the rate applicable for such purpose during the week next ensuing; and that this resolution shall have effect from the 1st January 1877."

The resolution was seconded by Mr. Macfie and carried.

The CHAIRMAN said there was another resolution in connection with the previous one, which he would put. It was "that the words *current rate of Exchange* shall be held to mean the rate current for Bank Bills on London payable on demand, unless otherwise stipulated."

The resolution was seconded by Mr. H. B. H. Turner, and carried.

The CHAIRMAN said that, in connection with the same subject, there was yet another resolution necessary, with reference to the coast trade which had been dealt with by the Chamber in 1862. The resolution was as follows:—"That the rate for Bank Bills on London payable on demand shall be taken for reducing sterling into Indian money in all cases of commission payable in Calcutta on effecting charters for, or at, the ports of Akyab, Bassein, Rangoon, and Moulmein for rice or timber; as well as in all cases of difference of freight payable at the said ports on re-charter or relet of tonnage; unless otherwise stipulated."

The resolution was seconded by Mr. J. C. Murray, and carried.

On the motion of the Chairman seconded by Mr. Turner, Messrs. Burn & Co., were elected members of the Chamber.

The result of the election of office bearers for the current year was then declared by the scrutineers :—Mr. J. C. Murray, *President* ; Mr. J. Morison, *Vice-President* ; Messrs. J. A. Anderson, W. Craik, D. Mackinnon, S. A. Micrulachi, and H. B. H. Turner, *Members of Committee.**

Mr. Murray returned thanks for the honor done him in being elected President of the Chamber a third time.

Mr. H. H. Sutherland said that, before the meeting closed, he desired to offer a vote of thanks to the Vice-President and the members of the retiring Committee, and he was sure they all desired to include in the vote their late President, though he was not here with them during the whole of the year ; for they all knew the zeal and good judgment which Mr. Morgan and the mem-

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* *Mr. W. Craik being unable to serve, Mr. J. Nicol Fleming has been elected as a member of the Committee.*

bers of the Committee brought to bear upon their duties, and the admirable report they had just adopted was excellent evidence of the labors of the Committee during the past year.

MR. MURRAY seconded the resolution, which was put and carried with acclamation.

The meeting then broke up.

H. W. I. WOOD,
Secretary.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year ended 30th April 1876.

THE Committee have the pleasure to submit their Report on the principal subjects which have come under their consideration during the past half-year.

THE BUDGET FOR 1876-77.

The annual financial statement was published on the 31st March, and the most important information and conclusions are given in the following extract :—

For 1874-75 *the regular estimate shewed an expected surplus of* £1,889,000 ; *the actual amount shews a surplus of* £2,556,990.

For 1875-76 *we last year estimated for a surplus of* £506,000 : *we now expect the surplus under the regular estimate to be* £1,903,000.

The above figures are exclusive of expenditure on the famine and on reproductive works.

In the budget of 1876-77 *we estimate for an income of* £50,480,000 ; *and for an expenditure of* £50,336,000 ; *thus providing for a surplus of* £144,000.

The cost of the famine—aggregating $6\frac{3}{4}$ millions sterling—having been discharged in full, that item of expenditure, which has pressed so heavily on the resources of the country for the last 3 years, disappears from this year's budget ; but the reproductive public works already in course of construction and completion involve an enormous outlay, estimated at 14 millions sterling, and to provide for this year's portion of that expenditure 3 millions will be required ; of that amount £360,000 will be borrowed in India and the remainder in England.

By that operation, which only moderately increases the imperial debt, the necessity for fresh taxation has been obviated for the present.

The Finance Minister closes his review of estimated *income* for 1876-77 with the following encouraging remarks :—"*As most of the improvement is the outcome of a progressive advance in the leading branches of the revenue, it may be safely concluded that the sources of imperial income are in a sound condition, and indeed that they never gave better promise of prosperity.*"

And with reference to estimated *expenditure* he remarks that, "*apart from the question of exchange, the estimates are upon the whole not less satisfactory than those of the revenue.*"

This authoritative declaration is of the highest value, for on a continued progressive advance of the revenue and a safe and satisfactory condition of the finances depends this country's ability to cope successfully with a difficulty which threatens results of the gravest character.

That difficulty has been created by the unprecedented fall in the value of silver which has taken place within the last few months, the effects of which on the general commerce of the country and on the financial position of Government, which has to provide 15 millions sterling for its Home charges, are most disastrous and embarrassing; and the apprehension that a still further depreciation will follow tends to intensify the disturbing influences which are already inflicting heavy losses on public and private interests.

The following paragraph from the Budget Statement is here reproduced in order to record the view taken by Government of this most serious and perplexing matter.

The sudden depreciation of silver, and the consequent enhancement of charge to the Government of India in laying down yearly the sum required in England of about Fifteen millions sterling, without doubt cast a grave shadow on the future. In truth, it may be said that the danger, from whatever point of view considered, is the gravest which has yet threatened the finances of India. War, famine, and drought have often inflicted losses on the Exchequer far greater than the charge which threatens us in the present year. But such calamities pass away; the loss is known and limited; and when it has been provided for, the finances again stand on sure and stable ground. This is not the case with the present cause of anxiety. Its immediate effects are serious enough, as has been already shewn. But that which adds significance to it is that the end cannot be seen; the future is involved in uncertainty. It may be that in the course of time the difficulty will be lessened or removed; it may be that the depreciation will continue, and involve the Government of India in embarrassments more serious even than those it now contemplates. It would at the present moment be unwise to speculate on either of these alternatives.

Foreign Exchanges and the Money Market.

The all important subject of the foreign exchanges and the condition of the money market has engaged the attention of your Committee, and their correspondence with Government is given below. They regret that the proposal to appoint a local Committee to inquire into these questions was not accepted, as they think great good might have resulted from their deliberations: at least some assistance might have been rendered to the Committee of the House of Commons who are now investigating the matter. The subject itself is no doubt one of great difficulty, and the utmost care will have to be taken to guard the public against any violent changes. When the Committee of the House of Commons have issued their report, it is to be hoped that Government will see their way to some definite policy, but in the meantime the least that could have been done with justice to those whose operations are so dependent upon the exchanges, was to have a declaration from the Secretary of State fixing a minimum for the Council Drafts, or that he would sell them at market price. The irresolution and want of policy shown by the Secretary of State have made the operations of bankers and merchants matters of pure chance, and your Committee therefore regret that their

urgent appeal to Government has led to no result and that the present unsettled and unsatisfactory state of the money market promises to be continued indefinitely.

DEPRECIATION OF SILVER.

From Chamber of Commerce to Govt. of India.

Calcutta, 4th April 1876.

The Committee of the Chamber of Commerce desire me to address you regarding the very serious decline which has lately taken place in the price of silver and the depreciation in the sterling value of the Rupee which has consequently followed.

Owing to the very great uncertainty which exists as to the future value of silver, trade, in many of its departments, is prejudicially affected; and as the present state of matters must also prove most embarrassing to the country at large, the Committee venture to think that some decided action on the part of the Government is called for.

Should there be reason to believe that the decline in the price of silver is merely temporary and the result of exceptional causes, the Committee are of opinion that the difficulty might be successfully met by the Government financing, for a time, by sterling loans for their Home requirements.

Should there be reason, however, to fear that the depreciation arises from causes of a permanent character,

and that the evil is likely to increase, then, as it seems to the Committee, the Government must be prepared to protect the currency of the country against a continuing depreciation of the metal of which it is composed.

The Committee respectfully suggest that, in view of the very great importance of this question both to the State and to private interests, the Government should appoint a Commission consisting of members of the Financial Department and also of European and Native bankers and mercantile men, as they believe that much good may arise from an interchange of opinions as to the steps it is most desirable to take in this most serious crisis.

The Committee would further take the liberty of asking that the Government should give the mercantile community the very earliest information possible regarding any action they may take in order that private interests may be affected as little as possible by the policy pursued.

The gravity of the crisis and the probable embarrassments that may arise therefrom are frankly admitted in the brief paragraph of the Financial Budget just published, but no remedial measures are proposed and no policy is disclosed with the view to avert disastrous results to the finances of the State and the commercial and social circumstances of the country; and therefore the Committee are constrained to apply to His Excellency the Governor General in Council for the prompt appointment of a local Commission to take into consideration a subject that presses so urgently for immediate investigation and for the discovery of means adequate to meet and overcome the difficulties of a most critical position.

No. 2074.

From Govt, of India to Chamber of Commerce.

Financial Department.

I am directed by His Excellency the Viceroy and Governor General in Council to acknowledge the receipt of your letter dated 4th April, suggesting, on behalf of the Committee of the Bengal Chamber of Commerce, that the Government should appoint a Commission consisting of members of the Financial Department and also of European and Native bankers and mercantile men, to enquire what steps it is most desirable for the Government to take in consequence of the very serious decline which has lately taken place in the price of silver and the depreciation in the sterling value of the Rupee which has followed thereon.

2*nd*.—The Committee will have observed from the Financial Statement of the Hon'ble Sir William Muir, that the Governor General in Council regards with much concern the phenomena to which the Committee now invite his special attention. His Excellency in Council is aware that the present depreciation of silver must be a source of as great anxiety to those interested in the foreign trade of India as it is to the Government itself.

3*rd*.—But it is not apparent that there are any special facilities in India for the investigation of the causes and probable results of the fall in the price of silver, and inasmuch as the House of Commons has appointed a Select Committee "to consider and report upon the causes of "the depreciation of the price of silver and the effects of "such depreciation upon the Exchange between India

"and England," the Governor General in Council thinks that there is no present necessity for the measure which you recommend.

The Secretary of State's Drafts on India.

From Chamber of Commerce to Govt. of India.

Calcutta, 19*th April* 1876.

The Committee of the Chamber of Commerce desire me to submit the following representation for the consideration of the Right Hon'ble the Governor General in Council; and as their reference involves issues of the greatest moment to commercial interests the Committee respectfully request that it may receive the earliest attention His Excelleney may find it convenient to devote to the subject.

The condition of the money market is such as to occasion the gravest apprehensions, and the recent rapid advances in the rates charged by local banks for ordinary business accommodation indicate not only extreme stringency and pressure, but also a comparatively insufficient supply of means to satisfy the current demands of the general trade of the country.

In the judgment of the Committee that condition is mainly attributable to the suspension of the usual bimonthly drawings on the Indian treasuries; and the uncertainty of the financial measures that may be adopted by the Secretary of State intensifies the mischievous effects which have already resulted from the depreciated value of silver.

The system under which the Secretary of State is furnished with funds to meet the Home charges of the Government of India has been the well understood basis on which a large portion of the imperial expenditure is provided, and on which the banking and mercantile establishments connected with the Eastern trade depend, in a great measure, for their periodical remittances to this country.

Any material departure, therefore, from such a system obviously involves serious obstacles to the business operations of bankers and merchants, whose financial arrangements are thereby disturbed to such a degree as may occasion very embarrassing consequences.

The uncertainty which attends the action of the Secretary of State in respect of his requirements forbids calculations being made with any degree of safety, obstructs the ordinary course of business, and creates incalculable mischief to all interests.

In the Budget Statement the Financial Member estimated that the drafts on India would realize only 1-8½, and that even a lower rate might have to be accepted, thereby leading the public to believe that at such figures the Secretary of State would sell his Bills. Acting on such belief the Exchange Banks took no measures for the purchase of silver or other remittances, though their wants were so pressing; instead however of adopting the Budget rate, the Secretary of State arbitrarily adheres to a higher exchange, causing thereby greater stringency than ever.

To some extent, no doubt, the suspension of a long continued practice has been justified by exceptional cir-

cumstances; but it appears to the Committee that the unfavorable conditions under which the Secretary of State must negotiate his drafts on India cannot be improved by a temporising policy, and that it is due to those who have hitherto enabled him to finance with ease and facility, and to the merchants of India whose operations contribute a considerable share of the public revenue, that they should be protected by the immediate declaration of a definite purpose, and freed from an irresolute and fluctuating procedure.

The insufficiency of money is creating severe distress, the extent and duration of which may not be measured unless relief be promptly afforded by the resumption of Council Bills, or by the Government of India releasing its treasury balances to an extent commensurate with the absolute requirements of commerce which would have been otherwise satisfied had the ordinary means of supplying them not been withheld.

From Govt. of India to Chamber of Commerce.

Fort William, 22nd April 1876.

Financial Department.

I have the honor by direction of His Excellency the Governor General in Council to acknowledge receipt of your letter of the 19th instant.

2. Since your letter was written information has been received by telegraph of the allotment of Rs. 50,00,000 on the Calcutta and Bombay treasuries; the greater part of this amount has already been paid under advice by telegraph and this circumstance cannot fail to have sensibly affected the position for the better.

3. With reference to the suggestion of the Chamber of Commerce that the Government should "release its treasury balances," I am desired to point out that the Government has steadily maintained a large balance with the Bank of Bengal.

4. The last statement of the affairs of the Bank published in the *Calcutta Gazette* is for the week ending the 13th April, on which date the treasury balances held by the Bank of Bengal amounted to Rs. 3,60,69,878-7.

5. That this large amount was actively employed by the bank and thus enabled the bank to maintain a lower scale of charges than would otherwise have been necessary, may be inferred from the total amount of cash balance on the same date which was Rs. 2,61,38,329-4-6.

6. A large balance has also been maintained by the Government of India at Bombay, where the position is not materially different from that observable in Calcutta, and at both places bullion tendered for coinage has been paid for out of the treasury balances, in anticipation of the time required for coining it.

7. I am authorised to acquaint you that since the 13th April a cash payment of Rs. 10,00,000 has been made to the Government Account with the Bank of Bengal from Revenue treasuries in Bengal, and that directions have been given for a further similar payment of Rs. 30,00,000.

8. Your letter will be forwarded for the information of the Most Hon'ble the Secretary of State for India.

From Chamber of Commerce to Govt. of India.

Calcutta, 25th April 1876.

The Committee of the Chamber of Commerce desire me to express their obligations to the Right Hon'ble the Governor General in Council for the immediate reply His Excellency was pleased to give to their representation of the 19th instant.

The announcement that the greater part of the 50 lacs drawn last week on the Calcutta and Bombay treasuries had already been paid under advice by telegraph, and that the resources of the Bank of Bengal had been and would be largely aided by the Government, has been received with much satisfaction, since by these measures the money market will unquestionably be much improved and the difficulties which surround its position greatly diminished.

But the pressure, though thus abated, cannot be considered as removed until either a continued resumption of the system of bi-monthly bills on India, to which the trade of India has been accustomed, takes place, or until a settled policy on the part of the Secretary of State enables the Banks with safety to resume shipments of silver; and with that view and in the hope that Her Majesty's Secretary of State may be moved to declare his financial arrangements for the future, the Committee venture respectfully to request that His Excellency the Governor General in Council will communicate by telegraph the expediency of obtaining, by same channel, an absolute declaration on this most important point.

From Govt. of India to Chamber of Commerce.

Simla, 2nd May 1876.

I am directed by His Excellency the Governor General in Council to acknowledge the receipt of your letter dated 25th April, and in reply to request that you will inform the Committee of the Bengal Chamber of Commerce that it has been ascertained that Her Majesty's Secretary of State for India in Council does not think it convenient to announce to the public his financial arrangements in respect of the future more definitely than he has recently done.

A copy of this correspondence will be forwarded to Her Majesty's Secretary of State.

Import Duties on Cotton Goods and Yarn.

The important subject of import duties on cotton goods and yarn has been taken up by your Committee and a communication was made to Government offering the services of merchants engaged in the trade to arrange a plan for their gradual abolition. The offer, however, has not been accepted, but the Committee have felt that it was too important a subject to be allowed to drop. They have, therefore, again addressed Government proposing, as a first instalment of relief, that the duties on imported yarns should be done away with altogether. There can be no doubt that

these are acting emphatically as a protection to local spun yarns, for in spite of a large decrease in the import of English yarns prices have steadily declined, and it is known as a fact that in districts where up till lately imported 40*s* were almost exclusively used, Bombay and local spinnings of 20*s* have taken their place.

From Chamber of Commerce to Govt. of India.

Calcutta, 29th February 1876.

With reference to the telegraphic announcement on the 26th instant that the Government of India had been instructed by Her Majesty's Secretary of State to prepare the way for the gradual abolition of the present import duties on manufactured cotton goods and yarns and also to fix period for their final entire abolition, the Committee of the Chamber of Commerce believe that, under the circumstances, the Government may desire to avail themselves of the knowledge and experience possessed by mercantile men on the subject with the view to arranging the plan by which a gradual abolition of the duties may be best attained, and specially to desire detailed information regarding those articles upon which an entire removal of the duty is peremptorily and immediately called for.

The Committee therefore tender their services in these respects; and if the Governor General in Council is pleased to accept the assistance they are willing to render, they will be prepared to lay before His Excellency such information in regard to trade in manufactured cotton

goods and yarn as may be useful in enabling the Government to carry out the recommendation of the Home authorities.

From Govt. of India to Chamber of Commerce.

Fort William, 8th March 1876.

Financial Department.

I am directed by the Governor General in Council to acknowledge the receipt of your letter dated 29th February 1876, and to request that you will convey to the Committee of the Bengal Chamber of Commerce, the thanks of His Excellency in Council for their offer to assist the Government of India in devising measures for the removal of the present import duty on manufactures of cotton goods and yarns.

From Chamber of Commerce to Govt. India.

Calcutta, 13th May 1876.

The Committee of the Chamber of Commerce have read with satisfaction the various speeches made by Her Majesty's Secretary of State on the question of the import duties on British manufactured cotton goods and yarn, and they have also noted with interest the views on the same subject expressed by His Excellency the Viceroy.

The Committee look forward to the time when those duties will be entirely removed, but they have heretofore abstained from pressing the matter, so long as the

expenditure on Extraordinary Public Works more than counterbalanced the surpluses in the ordinary Budgets. The last Budget however shewed very satisfactorily how elastic the revenues continue to be, and with the promise by the Financial Member that the expenditure on Extraordinary Public Works would be curtailed as far as possible, and that a strict watchfulness would be exercised on the Department of Public Works generally, the Committee venture to anticipate a very prosperous statement at the end of the current financial year.

Under these circumstances and looking to the promise of the Secretary of State that the import duties would be removed as soon as the country could afford it, the Committee think the time has come when some measure of relief should be given to a trade which is heavily weighted with those charges.

The duties on cotton yarns are most onerous and form emphatically a protection to local spinnings, for it is found that local made yarns are gradually and surely displacing those imported, the sale of which is becoming daily more difficult to effect. This is not owing to any inherent superiority in the former—indeed the latter are admitted to have fully maintained their good name—but to the price at which local spinnings can be sold to a profit,—prices with which imported yarns, burdened with a duty, cannot compete.

To illustrate the serious nature of the competition with which the latter have to contend the following figures are submitted :—

In Bombay there are now 672,000

spindles at work which are estimated to produce yearly		33,415,800lb.
In Calcutta there are 60,000 spindles which produce yearly ...		3,738,900 „
Total ...		37,154,700lb.

The export of Mule Twist from England for 1875 was for Calcutta...		9,985,996lb.
Bombay ...		4,120,455 „
Madras ...		8,741,545 „
or a total of ...		22,847,996lb.

which shows that the production of local yarns is more than 50 per cent. greater than the total import from England.

To prove further to His Excellency the Viceroy how very seriously the large outturn of yarn now spun in the Bombay mills, as shewn by the above figures, is interfering with the imports into Calcutta of English spinnings, the Committee would draw attention to the fact that up to date of the present year 844,500lb. of native spun yarn has been received into Calcutta by steamer from Bombay; whereas during the same period of last year the amount received was only 209,500lb. These imports consisted, it is true, entirely of No. 20, but to show that in consequence of their relative cheapness they have to a large extent taken the place of English spun 40s. (which is the count of yarn principally imported from England), the Committee would point to the fact that whereas the imports of English spun 40s. for the first 4 months of 1875 reached a total of 3,600,000lb. they have this year fallen to 2,166, 500 lb. for the same

period, with, at the same time, a decidedly lower range of prices now ruling.

The Committee need scarcely point out to His Excellency that but for this competition against which English yarn has now to contend, a much higher range of prices would have followed so great a falling off in imports.

The duty in 1875 on *all* imported twist amounted, in round numbers, to 8¾ lacs, and as a first instalment of relief the amount is not large.

The Committee therefore confidently anticipate a favorable consideration of the matter.

In approaching His Excellency on this subject the Committee are conscious that there are many technical questions involved which it is difficult clearly to explain by letter, and they should have been glad had the Government availed themselves of the assistance offered by the Committee in their letter of 29th February last, as they believe that the statistics and samples of cloth which those intimately acquainted with the trade could have placed before the Government, would have been of much use in making them understand clearly the effect of the duty now levied on English manufactures. They desire, however, very earnestly to impress upon the Government the unquestionable fact that not only as regards yarn, with which article this letter chiefly deals, but also as regards the large staple trade of the country, the duty which is levied on English imported fabrics is every day acting more and more as a protection to the

local manufactures, and that unless early relief is promised importers will be compelled to restrict their operations within much smaller compass than they now do. Up to the present they have relied upon the assurance of the Secretary of State that the Government would not pursue a protective policy, and the Committee trust that His Excellency may, in addition to the immediate relief now asked for, be able to fix a period for the total abolition of these duties.

THE CUSTOMS TARIFF ACT OF 1875.

The Chamber's Report for the last half-year placed members fully in possession of the Committee's representations to the Government of India regarding the Customs Tariff Act of last year ; and as that legislative measure has given rise to communications of greatest interest and importance between the Secretary of State and the Supreme Government, the Committee have reproduced them in this Report for record and convenience of reference

The only provision of the Act that did not commend itself to the Committee's judgment was the levy of a tax on imported cotton, an imposition against which they considered it their duty to pray the Government to accept their protest ; and it will be seen from the final reply of the Secretary of State that, apprehensive of the injurious effects of that duty on the growth of the cotton

manufacturing industry of this country, he has been unable to sanction the action of the Government of India in that respect.

To His Excellency the Right Honorable the Governor-General of India in Council.

India Office, London, 15th July 1875.

My Lord,

1. I have considered in Council, in the Revenue Department, the conclusion to which you have come in respect to the import duty on cotton manufactured goods, so far as this year's Budget is concerned.

2. The present state of your finances would not justify any material reduction of taxation. The slight modification, therefore, which you have introduced into the rules by which the duty on cotton manufactures is calculated is the only change which the fiscal condition of the country will at present permit; but I think it right to take this opportunity of drawing your attention to some results of the duty which are not of a purely fiscal character, and which make its abolition desirable, whenever the condition of your revenue shall enable you to part with it.

3. It appears probable that the supply of the coarser fabrics which can be advantageously constructed of Indian cotton, and which find a ready sale in India, will at no distant period pass entirely into the hands of the Indian manufacturer. The fact that the fields in which the raw material is grown, the market in which the finished fabric is sold, and the coal beds from which the motive power of

the production is drawn, lie in close proximity to each other, will give to the Indian manufacturer an advantage with which no other advantages can permanently compete. The industry cannot grow to its full development until the resources and skill of English capitalists have been more freely drawn to it. Undoubtedly it will be less attractive to an English investor so long as it appears to him not to flourish by its own strength, but to be warmed into an artificial life by protective duties. But the movement of capital towards this field of enterprise is in progress, and has lately become more rapid, and it may be expected to increase with accelerated speed in proportion as railway communication with the coal fields of the Central Provinces becomes more complete.

4. In the presence of influences so powerful, the effect of the 5 per cent. duty is probably insignificant. An importance, however, which I think exaggerated, has been attached to it by the cotton manufacturers, both in England and Bombay. The former attribute to it the declining profits of their Indian trade, and the latter are in their turn alarmed at the possible loss of what their rivals have taught them to believe is a material condition of their prosperity.

5. If it were true that this duty is the means of excluding English competition, and thereby raising the price of a necessary of life to the vast mass of Indian consumers, it is unnecessary for me to remark that it would be open to economical objections of the gravest kind. I do not attribute to it any such effect; but I cannot be insensible to the political evils which arise from the prevalent belief upon this matter. The gradual transfer of the

Indian trade from the English to the Indian manufacturer, which appears likely to take place, will be attended with much bitterness of feeling on the one side, and with keen anxiety for the security of an unexpected success upon the other. The English manufacturer will press with increasing earnestness for the abandonment of the duty to which he will impute his losses; and in proportion to his urgency the Indian manufacturer will learn to value it.

6. It is impossible to believe that under these conditions the duty can be permanently maintained. The entire acceptance of the system of free trade by England is incompatible with the continuance of an exception apparently so marked. Parliament, when its attention is drawn to the matter, will not allow the only remnant of protection within the direct jurisdiction of the English Government to be a protective duty which, so far as it operates at all, is hostile to English manufacturers.

7. But though the duty will not be permanent, its prolonged existence cannot fail to have serious effects. During the agitation which will precede its abolition feelings of animosity on both sides will be aroused. It will be represented in India, however mistakenly, as a direct conflict between Indian and English interests in which Parliament is being moved to prefer the latter. This excitement will prevail more or less widely in proportion to the strength of the interests which are assumed to be affected by it; and if the prosperity of this industry corresponds to its present promise, the strength of these interests will grow steadily with the lapse of time.

8. These considerations will, I doubt not, commend to

your Excellency's mind the policy of removing, at as early a period as the state of your finances permits, this subject of dangerous contention. The precaution has, indeed, been delayed too long. Some soreness even now will be felt, and more will be expressed, by persons who will trace such a policy to a preference of English over Indian claims. But the irritation will only extend over a wider surface if action is delayed, and may, if the delay be too far prolonged, become a serious public danger.

I have, &c.,

(Signed) SALISBURY.

Telegram from the Viceroy, dated 5th August 1875.

Act for revision of customs duties passed this day.

Export duties abolished except those on Indigo, paddy, rice, and lac, which are unchanged.

General rate of import duty reduced from 7½ to 5 per cent. Valuations revised.

No alteration considered necessary in import duty on cotton goods, but their valuation reduced, which diminishes duty by 88,000*l.*

Five per cent. import duty imposed on long staple raw cotton.

Duty on spirits raised from 3 to 4 rupees a gallon, London proof.

Duty on sparkling wines raised from 1½ to 2½ rupees,

and on other wines, except claret and burgundy, from 1 to 1½ rupees a gallon.

Financial result as compared with customs revenue of 1874-75, as follows :—

Losses—

	£
Remission of export duties ...	173,000
Reduction of general rate of import duties	173,000
Revision of valuation	62,000
Total loss ...	£408,000

Gains—	£
On spirits	64,000
On wine	28,000
Miscellaneous	8,000
Total gain ...	£100,000

Net loss, 308,000*l.*

Of this we estimate to lose in the remainder of this year 200,000*l.*; but the customs revenue is otherwise so flourishing, that we do not expect it to be more than 70,000*l.* below our estimate, and this may probably be covered by improvement in the salt revenue, which is also prosperous, so that finance of year will not be disturbed.

Telegram from the Secretary of State to the Viceroy, dated 7th August 1875.

Yours 5th.

Provisions of Act very important. Some objectionable.

Please explain, by mail, grounds on which you have withdrawn it from operation of Legislative Despatch 9 of 1874.*

LEGISLATIVE DEPARTMENT.

No. 26 of 1875.

To the Secretary of State for India.

9th August 1875.

In conformity with the provisions of Section XXI of the Indian Councils' Act, I have the honour to forward to your Lordship an authentic copy of the Law noted on the margin, which has been passed by the Council of the Governor General of India for making Laws and Regulations, and to which I have signified my assent.

Act No. XVI. of 1875. An Act to amend the law relating to Customs duties, and for other purposes.

2. The proceedings relating to the Act are voluminous, and have not yet been completely printed. They will follow by the next mail. The explanation requested in your Lordship's telegram of the 7th instant, will also be furnished.

I have, &c.,

(Signed) NORTHBROOK.

* See page 68.

No. 48 of 1875.

HOME DEPARTMENT.—PUBLIC.

To the Secretary of State for India.

16*th August* 1875.

We have the honour to acknowledge your Lordship's telegram of the 7th instant, in which we are requested to explain the grounds upon which we have withdrawn Act XVI. of 1875, from the operation of the Legislative Despatch, No. 9, of the 31st March 1874.

2. In that Despatch the degree of importance which would necessitate the reference of a measure to the Secretary of State before its introduction into our Legislative Council, and the degree of urgency which would withdraw a measure from the necessity of such reference, was left to be determined by our judgment.

3. We did not consider that the Act in question should be so referred.

4. The Act was passed for the purpose, first, of revising the valuations of the Customs tariff, and secondly, of making certain alterations in the Customs duties. The revision of the valuations necessarily followed from the report of the Committee appointed to consider the tariff, of the appointment of which your Lordship had been previously informed, and was not a matter of sufficient importance to be referred to Her Majesty's Government. The Tariff Committee were also directed to express their opinion upon the rates of duty imposed under the exist-

ing law, and they made certain recommendations on the subject which required our careful consideration.

5. Our deliberations were not concluded until shortly before the introduction and passing of the Act. We considered the changes in the duties to be urgent, because it was expedient to include them in the same Act with the revision of the valuations, and the introduction of a fresh classification of articles which your Lordship had directed. The commercial community were anxiously awaiting the decision of the Government, and we had received two strong representations from the Chamber of Commerce at Calcutta deprecating any further delay. The season of the year was the most convenient for the abolition of export duties, and the condition of trade made it, in our opinion, of importance that the relief given by the Bill should not be delayed.

6. It is obvious that prolonged discussions pending a reference to Her Majesty's Government with regard to measures involving alterations of Customs duties could not be carried on without a disclosure of the intentions of the Government which would be productive of considerable inconvenience to trade. In England such measures are habitually kept secret until the Resolution of the House of Commons is moved which authorises the collection of the new duty.

7. We believed that the measures included in the Act were in accordance with the expressions of the policy of Her Majesty's Government with regard to Customs duties which had been received by the Government of India, and that they would occasion no disturbance to the stability

of the finances of India. Moreover, it has not been the practice, on former occasions, to refer alterations of Customs duties for the opinion of Her Majesty's Government previously to their being introduced and passed in the Legislative Council; and we consider that in exercising the discretion which is placed in our hands by your Lordship's Despatch we should be guided to a considerable extent by former practice, to which indeed reference is particularly made in that Despatch.

We have, &c.,

(Signed) NORTHBROOK.
NAPIER OF MAGDALA.
H. W. NORMAN.
A. HOBHOUSE.
W. MUIR.
A. J. ARBUTHNOT.
A. CLARKE.
A. EDEN.

To the Governor General of India in Council.

London, 31st March 1874.

"MY LORD,

"Para. 1. My attention has been drawn to the great number and importance of the measures recently passed by the Council of the Governor General for making laws and regulations, which have been brought for the first time to the official knowledge of the Secretary of State for India through enactments sent hither for Her Majesty's approval or disallowance, under Section 21 of the Indian Council's Act. The Government of India appears to have

taken upon itself the entire responsibility for nearly the whole of these measures throughout their course. The policy embodied in them was, no doubt, maturely considered in the first instance by the Governor General in his executive capacity and in Executive Council. When this policy was determined upon, Bills to give effect to it were drafted in your Legislative Department, and were subsequently introduced into the Legislative Council by the Law Member, or by some other Member of Council, or by some gentleman who acted as the organ of the Government. In their passage through the Legislature they appear to have remained in charge of some representative of the Governor General in Council up to the time of their final enactment. There is no question that if measures of equally great moment to the fortunes and interests of the Indian Empire had been adopted by the Governor General, not in the Council for making laws and regulations, but in the Executive Council, they would have been reported to me in full detail at a much earlier stage; and I see no sufficient reason why the circumstance, often quite accidental, that your Excellency's orders take a legislative form should deprive me of all official information concerning them until a period at which it becomes peculiarly difficult to deal with them. Among many inconveniences which attend the present course of proceeding it may be pointed out that if the Secretary of State advises Her Majesty to disallow an enactment, under Section 21 of the Indian Council Act, he may be annulling, on the score of a single objectionable provision, the results of much conscientious labour on the part of the Legislature, and of much technical skill bestowed by the Legislative Department; and further, that unless a measure is reserved, under Section 20 of the above Act, for Her

Majesty's pleasure (a course which appears to be very rarely followed), its disallowance may cause great difficulty and confusion by rendering useless courses of administrative action which have been entered upon on the footing of the law. It adds to the force of these observations that of late there has been a considerable increase in the number of petitions and representations addressed to the Secretary of State by natives of India and others on the subject of intended legislative measures, concerning which his information is at best imperfect.

"2. The present practice appears to be a departure from older precedents. I observe that, as recently as 1868, despatches were addressed by the then Government of India to Sir Stafford Northcote (Home Department, Legislative, 30th June 1868; Home Department Public, 6th November 1868), in which full information was given to him respecting important legislation which was at that time contemplated, and in which his opinion on its policy was invited. I consider that a return to this method of proceeding would be attended with advantage, and I request, therefore, that your Excellency in Council will observe in future the following rules with reference to all intended legislative measures which are at the same time of importance and are not urgent.

"3. Whenever the Governor General in (Executive) Council has affirmed the policy and expediency of a particular measure, and has decided on submitting it to the Council for making laws and regulations, I desire that a despatch may be addressed to me stating at length the reasons which are thought to justify the step intended to be taken, and the mode in which the intention is to be

carried out. This despatch should be accompanied by a copy of the Bill drafted in your Legislative Department, or should be followed by such copy with as brief delay as possible. I do not propose to reply at once in all cases to this communication, but I request that your Excellency will mention in it the date at which it is intended that the Bill referred to shall be submitted to the Legislative Council, and that this date may be so fixed as to afford me sufficient time to address you on the contemplated measure such observations as I may deem proper, if I should desire to observe upon it.

"4. I have excepted from the above directions measures of slight importance (of which I am aware that a considerable number pass the Legislative Council annually), and measures urgently requiring speedy enactment. I leave your Excellency to judge of the degree of importance which will bring a given case within the rule I have laid down, and of the degree of urgency which will withdraw another case from it. In the event, however, of your omitting to give me previous information of an intended enactment on the ground that it is urgently required, I request you to communicate to me subsequently the grounds of the opinion on which you have acted.

"5. It is, of course, conceivable that a Bill of which I have approved, or which has been modified in conformity with my desire, may be materially changed during its passage through the Legislative Council. It appears to me that, as a fact, that body rarely alters Government measures on points of principle, but if the case to which I am referring should happen, I do not apprehend that your Excellency would have any practical difficulty in

delaying the progress of the Bill until I have a fresh opportunity of expressing my opinion.

"6. In making these observations I have not failed to bear in mind the correspondence which took place in 1870 between my predecessor and the Government of Lord Mayo respecting the powers of the Council for making laws and regulations, but it does not appear to me that the questions discussed in that correspondence are raised by the rules which I have requested your Excellency to observe.

"7. It is my intention to send a copy of this despatch (omitting the last two paragraphs) to the Governors in Council of Madras and Bombay for their guidance in matters of legislation, and I request you to transmit a copy (with the like omission) to the Lieutenant-Governor of Bengal, to whose legislative measures I wish my directions, *mutatis mutandis*, to apply.

"I have, &c.,
"(Signed) SALISBURY."

LEGISLATIVE, No. 51.

To His Excellency the Right Honorable the Governor General of India in Council.

"India Office,"
London, 11th November 1875.

MY LORD,

1. I have received and considered in Council your Excellency's Despatch* of the 16th August, No. 15 of 1875, enclosing your Resolution in Council in respect to the Cus-

* Separate Revenue.

toms Tariff; and a copy of an Act passed on the 5th of August, effecting important changes in the existing duties, and the proceedings of your Legislative Council thereon. I have also considered your Public Despatch of the same date, giving your reasons for withdrawing this Act from the operation of my Legislative Despatch of the 31st March 1874, upon the ground of urgency.

2. In that Despatch I instructed you to communicate to me copies of all Bills which you had resolved to introduce into your Legislative Council, in order that Her Majesty's Government might have an opportunity of expressing an opinion upon any provisions in them to which they entertained objection, and which might, if included in the Act, render the disallowance of the whole Act necessary. From this instruction I excepted "measures of slight importance, and measures urgently requiring speedy enactment." You did not communicate to me the Tariff Bill, nor did I receive any intimation of the changes upon which you had resolved, until the Act was passed, when I was apprised of the result by telegraph; and the reason stated for your silence in the Despatch under reply is that, in your opinion, the only important portion of the measure was one urgently requiring speedy enactment.

3. The same impression of the urgency of this measure appears to have led you to pass it in an unusual manner. Some months had elapsed since the financial statement had been published, at the period at which financial discussions usually take place; and your Government was still at a distance from the capital. These circumstances, combined perhaps, with an impression that

no proposals of large financial change were likely to be entertained, account for the entire absence of the unofficial members from the Legislative Council. In addition to the eight members of the Government of India by whose direction the proposal was made, and Mr. Hope, by whom it was introduced, there was only present Sir Douglas Forsyth, a civil servant of the Crown. The rules for the conduct of business, under which some delay would have been necessary, were suspended, and the Bill was then introduced and became law without opposition in a single sitting.

4. It could obviously have only been a deep sense of the urgency of the measure which led your Excellency to adopt this form of proceeding. In providing that laws for India should be passed at a Council consisting not only of the ordinary members of the Executive Government but of additional members specially added for the purpose (of whom some have always been unofficial), it was the clear intention of Parliament that in the task of legislation the Government should, in addition to the sources of information usually open to it, be enlightened by the advice and knowledge of persons possessing other than official experience. Of these you were unfortunately deprived in discussing a subject in respect to which the assistance of mercantile councillors is of especial value. The rapidity of your procedure prevented you from receiving, from external sources and in an informal shape, the counsels which, in consequence of the time and place of legislation, could not be tendered in debate.

5. I am aware that there are precedents for the prac-

tice of introducing and passing financial measures in a single sitting. But this practice has hitherto been pursued only at Calcutta and in presence of the unofficial members, and, under those conditions, any objections to it apply only in a mitigated degree.

6. I cannot concur with your Excellency in thinking that the urgency of the case was such as to justify either your failure to inform me of your intentions to legislate upon this subject, or the sudden action by which your proposals have been converted into law. By "urgency" it was not my intention to express the state of things in which an earlier is preferable to a later passage of a proposed measure; for such a condition exists in respect to all measures which are improvements. I rather intended to indicate those measures which could not be delayed without serious public evil. In order, however, to avoid any misapprehension due to the ambiguity of the word, I request that in future, when you contemplate withdrawing a measure from the operation of the Legislative Despatch of 31st March 1874, on the ground of urgency, you will, without delay, communicate your intention to me by telegraph.

7. You urge as an additional reason for immediate action that "it is obvious that prolonged discussions pend-
"ing a reference to Her Majesty's Government with
"regard to measures involving alterations of Customs
"duties could not be carried out without a disclosure of
"the intentions of Government, which would be produc-
"tive of considerable inconvenience to trade." I cannot but hope that your Excellency overrates the difficulty of keeping an official secret. The number of persons to

whom your final recommendation need be made known is very small, and in case of any betrayal of confidence the offender could hardly fail to be detected. It would be little less than a scandal, if your Excellency were unable to refer for instructions to Her Majesty's Government for fear of the subject-matter of the reference leaking out.

8. The measure which has thus passed your Excellency's Council deals, in considerable detail, with most of the import and export duties upon the Indian tariff. Some of its provisions, especially those which diminish the burden of export duties, appear to me judicious. I am unable to accord a similar approval to some parts of the measure which apply to the import duties ; but I am unwilling, on this account, to advise the disallowance of the whole measure, and so postpone the benefits which a portion of it is calculated to confer. I prefer to request your Excellency to reconsider your legislation, especially upon two points of importance, to which I will presently call your attention. Financial arrangements must be adjusted to exigencies always complex, and often conflicting ; and confusion might be caused by any attempt on my part to prescribe to your Excellency the mode in which the policy adopted by Her Majesty's Government should be carried out. Looking at the great difficulty of the subject, and the necessity of considering it by the light of English as well as of Indian experience, I have requested the Under Secretary of State for India, Sir Louis Mallet, who is fully in possession of the views of Her Majesty's Government on these subjects, to proceed to India, in order to confer with your Government in regard to your fiscal legislation. His varied experience and great authority on economical and financial questions will

render an assistance to your deliberations which your Excellency will not undervalue.

9. In my Despatches noted in the margin,* your Excellency has already been informed that the import duty on cotton manufactures should, in the opinion of Her Majesty's Government, be removed whenever the conditions of your revenues shall enable you to part with it. On general principle it is liable to objection, as impeding the importation of an article of first necessity, and as tending to operate as a protective duty in favour of a native manufacture. It is thus inconsistent with the policy which Parliament, after very mature deliberation, has sanctioned, and which, on that account, it is not open to Her Majesty's Government to allow to be set aside, without special cause, in any part of the empire under their direct control. Financial exigency may be a just ground for maintaining a duty which cannot be reconciled with the general policy of this country ; but the large remissions you have made in other import duties, affecting articles of a less primary importance, have impaired the validity of this plea.

* 15th July 1875, No. 6 (Separate Revenue), and No. 364, (Financial), para. 102.

10. In the presence of other causes operating more powerfully upon the cotton trade, the effect of the duty at the present moment in artificially raising the price of cotton goods cannot be accurately estimated. But it has other effects, of which the evil is palpable, and tends to increase. It offers a false encouragement to the Indian manufacturer, which tends to divert him from the efforts by which his success can alone permanently be secured ; and it places two manufacturing communities, upon whose

well-being the prosperity of the empire largely depends, in a position not only of competition, but of political hostility to each other. The Indian industry is growing in strength by the help of resources which fiscal legislation cannot affect. The abolition or reduction of the duty will not injure it, though passing apprehensions may be excited by such a measure. The impost is too much at variance with the declared policy of this country to be permanently upheld ; but if the task of dealing with it be long postponed it will be the subject of controversy between interests far more powerful and embittered than those that are contending over it at the present time. On these grounds I am of opinion that the recent opportunity, when you had resources available for the reduction of import duties, should have been taken for reducing this duty, with a view to its ultimate abolition.

11. The Act of the 5th of August contains a provision the object of which is not perfectly clear, but which appears to have been introduced in some sense as a substitute for the reduction of the duty on cotton goods. The import duty of 5 per cent. upon raw cotton is intended apparently as a protection to the English industry against competition in the finer articles of manufacture. Undoubtedly it is one of the inconveniences of the impost on cotton goods that it appears to give to the English manufacturer a claim for a compensating duty on raw material. But the advantage thus given to him would be purchased at the cost of great and unjust detriment to the prospects of the native manufacturer.

12. It is true, as your Excellency notices, that at present the competition of the Indian industry with the English is principally felt in respect to the coarser fabrics.

This is a characteristic which might be expected to mark an undeveloped industry. It is probable that, as time goes on, the capital and skill of the Indian manufacturer will increase, and that he will employ it in attempts to widen the field of his enterprise. How far his proximity to his market, and the cheapness of his labour, will enable him to work with a foreign cotton in competition to the English manufacturer can only be ascertained by experience. But he will not venture on the investments in machinery necessary for making the experiment if his raw material is weighted with a duty, and if he believes that the policy of imposing fresh duties on raw material is one to which the Government may at any time have recourse. I should be apprehensive that the effect of this duty may be to retard, and perhaps to prevent, the growth of an important branch of Indian industry; and therefore I am unable to sanction it.

13. It appears to me that the claims of the English manufacturer will be more legitimately met by dealing with the duty on cotton goods, the speedy removal of which I regard, for reasons upon which I have already dwelt, as a matter of serious importance both to Indian and Imperial interests. This abolition should be gradual, and, in deciding upon the mode in which it should be effected, the period which will be necessary for its completion, and the accompanying measures which may be requisite, the paramount importance of guarding the Indian Treasury from financial embarrassment must be borne in mind. The entire removal of the duty should, however, not be adjourned for an indefinite period, but provision should be made for it within a fixed term of years.

I have, &c.,

(Signed) SALISBURY.

REVISION OF THE CUSTOMS ACT.

The Committee have again addressed the Government of Bengal on the subject of bringing the provisions of the Customs Act more in harmony with the present state of trade, and suggested the appointment of a Commission to take the whole question into consideration in order to arrive at some satisfactory amendment of the law as it now stands: but they regret they are unable to communicate the purpose of Government as no reply has been given to their representation.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 7th February 1876.

On the 20th January 1863 His Excellency the Governor General in Council gave his assent to a Bill for consolidating and amending the laws relating to the administration of the Department of Sea Customs in India, and the provisions of the Act then passed, as No. VI of 1863, have been in force since that date, with the exception of one or two of the sections which have been repealed by later enactments.

Various causes however have of late years conspired to render many of the provisions of the Act inapplicable to present circumstances, but specially the altered condition of a large proportion of the carrying trade of the day, which has been effected by the Suez Canal route of com-

munication with Europe ; and the considerable steamer tonnage entering and clearing from British Indian Ports renders it absolutely expedient that the Act be so modified as to meet the requirements of that class of vessels.

This subject was under discussion by the Chamber early in 1872, when several proposed amendments were submitted for the consideration of the Board of Revenue, but no steps appear to have been taken to give effect to the Chamber's recommendations : and I am instructed to bring the matter to the notice of His Honor the Lieutenant-Governor with the view to the appointment of a Committee to consider in what respects the Act is capable of modification and to its being brought more in harmony with the existing state of trade.

Work at the Custom House during the Doorga Poojah Holidays.

The Committee have for years contended that the Custom House should be kept open for the transaction of public business during the Doorga Poojah vacation on as many days as possible, consistent with a proper regard for the time required by the Hindoo community for their religious observances during their annual national festival.

The subject has been frequently pressed upon the attention of Government, and the Committee have now the satisfaction to record in the following reply from the Govern-

ment of India to the Government of Bengal, that the closing of the Custom House for 5 days only, instead of 7 as formerly sanctioned, has been ordered for the future.

From Govt. of India to Govt. of Bengal.

Fort William, 26th January 1876.

In reply to your letter No. 3446, dated 26th November 1875, I am directed to state that the Governor-General in Council is pleased to sanction the proposal of the Government of Bengal, that in future the Custom House at Calcutta shall remain closed during the Doorga Poojah holidays for the five days only which are required for religious observances, instead of for seven days as sanctioned in the orders conveyed in my letter No. 3133, dated 4th September 1875.

No. 361.

Copy forwarded to the Secretary, Bengal Chamber of Commerce, for information.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 9th February 1876.

I am directed to acknowledge the receipt of your Memo: No. 361 of the 2nd instant and to express the satisfaction with which the Committee of the Chamber of Commerce receive the announcement contained in the Government of India letter that during the Doorga Poojah vacation the Custom House shall be closed for the

five days only which are required for Hindoo religious observances instead of seven days as previously sanctioned.

Summaries of Bills of Entry and Shipping Bills.

The Committee have another satisfactory concession to record in connection with business at the Custom House.

Members are aware that by orders of the Supreme Government, communicated by the Collector on the 8th March 1875, importers and exporters were compelled to furnish in addition to their bills of entry and shipping bills *summaries* of those documents,—already prepared in duplicate. Against that most vexatious requirement, which added largely to the sufficiently heavy labor and trouble incurred in passing goods through the Custom House, the Committee emphatically protested in their letter of 2nd July 1875 to the Government of Bengal. To that representation no answer has been given; but the following notice in the *Gazette* informed the commercial public that the objectionable burden had been removed after 12 months' unnecessary imposition.

From Calcutta Gazette dated the 22nd March 1876.

NOTICE.

It is hereby notified that from this date Importers and

Exporters will not be required to put in summaries with their Bills of Entry or Shipping Bills ; but full particulars as required by the Schedules issued on the 17th February 1875 must still be given.

By order of the Member in charge of Customs, Board of Revenue, L. P.

T. B. LANE, *Offg. Collector of Customs.*

CALCUTTA CUSTOM HOUSE,
The 16th March 1876.

Rate of Exchange for adjusting Sterling freight payable at Calcutta.

At a Special General Meeting of the Chamber held on 18th June 1861 the following resolution was adopted :—

That the rate of exchange for the adjustment of freight on goods from Great Britain or any port or place where the freight is expressed in pounds sterling be at the par of two shillings per rupee, unless otherwise positively stipulated; and that this modification of the present system commence on all vessels arriving after the 1st day of January 1862.

The rule established by that resolution has been generally observed, and the Committee believe that in its application to the adjustment of freight

payable in Calcutta it has been found convenient and, on the whole, satisfactory to all interests.

It is obvious however that the altered condition of exchange, which has been gradually following the greatly depreciated value of silver, renders it expedient that the rate hitherto adopted should be abandoned and displaced by as near an approximation as possible to the current exchange applicable to ordinary transactions.

The Committee therefore recommended, in a circular dated 17th January last, that the conversion into Indian currency of sterling freight payable in Calcutta should, unless otherwise stipulated, be made at *the rate for Bank Bills on London payable on demand;* and that the rate ruling at the close of a mail should be the rate applicable to such purpose during the subsequent week.

The majority of opinions recorded by members confirms the Committee's view as to the necessity for introducing an amendment of the rule, and the question is now brought forward in order that it may be decided by a formal vote of the Chamber.

TELEGRAPH RULES.

The subject of the new Telegraph Rules has again come before the Committee and a somewhat lengthy correspondence has taken place, with, however, no better result than in the previous half-year. The Committee felt bound to protest against the way in which the interests of the commercial community were sacrificed by the Indian representative at the St. Petersburg Conference and their wishes completely ignored ; and they regret to see a continuance of that hostile spirit shown in former correspondence by the Director General of Telegraphs. They are convinced that the interests both of the Telegraph Department and the mercantile community are identical, and that a liberal policy on the part of the former would not only conduce to smoother relations, but would also lead to an increase of business in the Telegraph office.

The Committee addressed Government in support of the letter given below from the Madras Chamber of Commerce, in which it is pointed out that, under the new Rules, repetitions of telegrams in consequence of mistakes had to be paid for by the receiver of the message though the error may have occurred in transit. The new Rule is so contrary to common fairness and justice that the Committee hope it will be altered.

They have also drawn attention to the anomaly of one rate being charged on messages outwards, whilst on identically the same message 50 per cent extra is charged homewards. No replies have yet been received from Government on these two points.

From Chamber of Commerce to Govt. of India.

Calcutta, 9th December 1875.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letters Nos. 405 and 412 of the 11th and 19th ultimo respectively, and to express their obligations to the Hon'ble President in Council for his prompt compliance with their request to communicate with H. M's Secretary of State, and for the reply to his message on the subject of the new telegraph regulations.

The Committee have received with much regret the announcement that the operation of the St. Petersburg Convention cannot be delayed beyond the 1st January, for they are persuaded that the early introduction of the new rules will be attended with the greatest inconvenience to the commercial public, who have not up to this moment been officially advised of the precise changes that are to come into force. Their application for the suspension of those changes until the 1st May was, they think, fully justified, and the Committee repeat their regret and disappointment that so reasonable a request has been denied.

If the conclusions arrived at by the St. Petersburg Convention had been of interest only to the countries where intercommunication is so rapid that matters of mutual concern can be adjusted without delay, the introduction of changes at short notice would be immaterial; but it is submitted that to the commercial communities of this country, who have business relations with distant correspondents in all parts of the world to which telegraphic communication extends, such short notice is most seriously inconvenient and detrimental; and the Committee cannot but regret that with the knowledge that the new rules would come into force on 1st January next the representative of the British Government, in his place at the Conference, did not urge this point for the consideration of the other delegates; or that he did not, at all events, anticipate the requirements of British merchants in India by the earliest possible announcement of contemplated amendments, so as to afford them the opportunity of being prepared to adopt those amendments from date of operation.

In their letter dated the 6th March 1875, which was forwarded by the Government of India for the consideration of H. M.'s Secretary of State, the Committee submitted special points which they were requested to indicate; but not only have those points not been conceded, but, as the Committee understand, messages are to be subject to a higher rate for transmission, and restricted to words consisting of such a limited number of letters as to render thousands of ordinary words in the English language inadmissible for transmission except at a double charge.

These amendments of a system to which the commercial public of India have been so long accustomed have been pronounced by all the Chambers in this country as exceedingly detrimental to the interests of those who contribute the largest share of the telegraph business, and complaints have been received from Associations in England connected with the Indian trade against the introduction of such changes as directly prejudicial to the development of telegraphic intercourse, and calculated to seriously diminish the revenue hitherto derived by the State from the employment of that agency by the commercial public.

It is therefore the duty of this Chamber to enter their protest against proceedings of this character, and to accompany it with a request that the Government of India will be pleased to communicate to Her Majesty's Secretary of State their hope that on future occasions measures will be taken to give the commercial public of India the earliest intimation of probable changes to be submitted for adoption by international conventions, in order that they may have an opportunity of protecting their interests.

No. 111 T.

From Govt. of India to Chamber of Commerce.

Fort William, 11*th March* 1876.

I am directed to acknowledge the receipt of your letter of the 9th December 1875, expressing regret that the operation of the St. Petersburg Telegraph Convention could not be delayed beyond the 1st January last, and that

earlier notice could not have been given to the mercantile community of the changes necessitated by that Convention in the rules for the transmission of foreign telegraphic messages, and in reply to forward copy of a Despatch* from the Secretary of State with enclosures on the subject.

* Despatch from Secretary of State, No. 2, dated 6th January 1876, and enclosure (joint note by Colonel Robinson and Major Champain).

2. I have however further to state that the Government of India will, in the case of any changes or new arrangements affecting the mercantile community and public generally, in communication, when necessary, with the Secretary of State, take care that the earliest official intimation possible shall be given of what is in contemplation or determined.

Enclosure to P. W. D. letter No. 111 *T of* 1876.

Despatch from Secretary of State, No. 2T, dated 6th January 1876.

PARA. 1. Your Excellency's telegrams of 10th November and 7th December 1875, and your letters Nos. 50 and 51 of 11th and 25th November last, requesting that the provisions of the St. Petersburg Conference should not be introduced in India until 1st May next, were duly received, and were answered by telegraph to the effect that compliance with the request was impossible.

2. In amplification of this reply it may suffice to point out that the operation of the Convention Rules could not be delayed beyond the prescribed date of 1st January without the consent of each of the 21 States

which, together with India, are parties to the Convention; that such general consent to a change, which at almost the last moment would have utterly disconcerted departmental arrangements, would almost certainly not have been given at all, and could not assuredly have been given until some weeks after the commencement of the new year; and that, if India, acting independently, had deferred for a while the enforcement of the rules within her own limits, she would nevertheless have been bound to pay out of the rates leviable under the Rome Convention the larger sums due to other States under the St. Petersburg Convention.

3. In a note* on the subject submitted to me by Colonel Robinson and Major Champain, copy of which is enclosed herewith, will be found some additional objections to the course suggested by you.

* Dated 8th December 1875.

Enclosure to above.

Note by Colonel Robinson and Major Bateman-Champain, No. 476, dated 8th December 1875.

The Chamber of Commerce (Bengal) in para. 3 of their letter admit that, on 22nd October last, they were in possession of general information respecting the new rules and regulations, and in para. 5 they ask for time to communicate with their Home correspondents, overlooking the fact that their Home correspondents had been still longer aware of the new Rules, and that the codes are made in England.

As far back as 13th March last, the Chamber of Com-

merce knew that propositions would be submitted to the Conference to limit the length of code words, and to put an end to those abuses of the Rome Conference Rules of which the telegraph administrations had so much reason to complain, and they were further warned by the Indian Director General (in the early part of 1874) that, if these codes were tolerated up to the meeting at St. Petersburg, they would certainly have to be radically altered afterwards, as no State would consent to continue to submit to such mal-application of the rules formulated to meet the demands of ordinary language.

It would come with a very bad grace for India (the very State on whose recommendation the new rules were framed) to ask every State in and out of Europe to postpone the introduction of the rules to the 1st May, after all have arranged to put them in force on the 1st January. Nothing short of unavoidable department necessity could justify such an application or secure its acceptance * * * * *

From Chamber of Commerce to Govt. of India.

Calcutta, 13th March 1876.

In their letter of 9th December last the Committee of the Chamber of Commerce submitted a representation regarding the Telegraph service under the St. Petersburg Convention which came into operation on the 1st January; and in continuation of their remarks on that subject they desire me to place the following reference before the Right Hon'ble the Governor General in Council and respectfully request it may receive His Excellency's consideration.

Under the telegraph rules published by the Government of India it is provided—by Rule 22—that collation or repetition is compulsory in the case of private cipher messages composed of figures, at a charge equal to half the charge for the message itself: and under that rule all such messages—composed of numerals conveying hidden meanings—tendered for transmission from Calcutta to London have been subject to the repetition charge.

But while the senders of such messages have had to pay the compulsory additional rate they have been receiving messages, identical both in symbolical construction and in preconcerted meaning, transmitted from London to Calcutta at ordinary rates, free from the repetition charge.

The following messages received *from* London sent *to* London from Calcutta illustrate the anomaly involved in the opposite construction which the telegraph departments here and at home place on identical symbols conveying code messages of concealed meaning :—

Messages received from London at ordinary rates.	*Messages sent to London from Calcutta for which 50 per cent. extra has been paid.*
"30871, 30872, 30873, Recommend Canal 06225, 06225, 05066."	"30824, 29992, 06224, 67040."
"48464, 49454, 50424 wheat."	"31246."
"Viceroy 77547, 33127, 53440, 37010."	"05072, 05073, 07278, 07279, 17797, 30824, 30012, 06225, 32189, 31337, 73086."

Messages received from London at ordinary rates.

"South 81000, Russia more 81192 to 81194."

"Gideoni 50004 reptile April shipment 93107, 95152."

"Orion 24465, 25623, 57594, 21316, 25244, 61719, 4259 warmness."

"Orion 5352, 5819, account 2355, 1769, 250."

"30794, 30876, 31161 92831."

"Season 56170, 00660, 56042, 00,130."

"81000 Brandy 4348 cwts. 349 80,000 Buffalo 5420 London 5038, 20880, 30900, 93860."

"50004 reptile 60007 reprobate May 89213, 91606."

"Probable 2,007, specimen 20029, atrocious 15027 at one emphasis 10,055,

Messages sent to London from Calcutta for which 50 per cent. extra has been paid.

"00491, 05041, 17781, 21893, 45206."

"30551."

"05153, 07231, 07758, 21861, 22587, 25475, 28343, 30808, 23600, 23601, 96417."

"29369, 29370."

"30807, 07423, 23632, 23633, 30819, 05421, 21735."

"Scarfs 29548, 29549, 25312, 29542, 30821, 07620, 22242, 22243, 96877."

"50058, 37626, 01244, 57256, 53300, 54543, 34532, 78556, 82115, 04121, 65125."

"07949, 07986, 18537, 16832, 31153, 82457."

"30810, 18403, 18404, 30823, 04699, 08147,

Messages received from London at ordinary rates.	*Messages sent to London from Calcutta for which 50 per cent. extra has been paid.*
average 10041, audacious, 10047, austere 10043."	other 11888, 31153, 54327."
"51099, 20543, 51010, 77359, 51231, 50344, 51084, 09950, 24000."	

Under these circumstances it is submitted for the consideration of His Excellency the Governor General in Council that there should be a uniformity of practice based on the broader and more liberal construction with which the Convention rule is evidently read at home, and that the local Telegraph Department should conform thereto.

From Chamber of Commerce to Govt. of India.

Calcutta, 7th March 1876.

The Committee of the Chamber of Commerce desire me to forward for submission to the Right Honourable the Governor General in Council the accompanying copy of a letter addressed to the Director General of Telegraphs by the Chamber of Commerce at Madras, with the expression of their hope that His Excellency will be pleased to approve of the views therein recorded.

The President of the Madras Chamber has stated the case so clearly and precisely that my Committee do not

venture to do more than signify their entire concurrence in his representation.

Madras, 17th February 1876.

I am directed to hand you a copy of a letter that this Chamber has addressed to the Director General of Telegraphs soliciting a reconsideration of No. 35 of the new Indo-European Telegraph Rules, which relieves the Telegraph Department from its former liability to bear the cost of repeating a non-collated message that is proved to have been mutilated in transit by the Department. This Chamber is of opinion that the new rule operates unfavorably not only as regards the public at large, but also in connection with the morals of the service, since signallers are now rather encouraged than otherwise to be negligent, and the Department profits by its own wrong. I am to express the hope of this Chamber that your Chamber will deem it desirable to support the present representation.

From Chamber of Commerce to Director General of Telegraphs.

Madras, 17th February 1876.

I am desired to bring to your notice, with a view to a re-consideration of the rule adopted by the International Telegraph Convention for the repetition of messages by the Indo-European Telegraph. According to the rules that were superseded on the 1st ultimo, it was provided that (XVIII) " the receiver of any message can request the correction of passages which appear to him to be doubt-

ful: he deposits for this purpose the price of the message for the demand, and the price of a message calculated according to the length of the passage to be repeated for the reply; these charges are returned if the repetition shows that the mutilation of the sense of the message was made by the telegraph."

By the new rule (35) it is provided that the addressee can, within 24 hours of the delivery of the telegram, have it corrected by paying the price of the message for the demand, and the price of a return message calculated according to the length of the passage to be repeated; but the charges thus made are not returned even although the telegraph may have been in fault, unless the message was a collated one, and in such case the Check Office makes the refund.

I am to point out that the new rule is not just to the senders and receivers of messages that are not collated. A person hands a message to the Telegraph and enters into a contract with the Telegraph for the transmission of the whole of such message; he pays the required amount for the service; he obtains a receipt; the Telegraph takes charge of and contracts to forward and deliver the message; and when the message is delivered in a mutilated form the sender and recipient have no remedy. Several instances have been brought to the notice of this Chamber of messages being delivered without the name of the sender—an omission that may often cause great loss and embarrassment. This mutilation of the message is solely due to the neglect of the Telegraph, yet the receiver must all the same bear the expense of repairing the Department's wrong by asking for a repetition of the message;

and the Department is the gainer, not the sufferer, by its own default. The wholesome check of requiring negligent officials to pay the penalty of their irregularity, which, it is assumed, was easily exercised under the old rules, does not now operate, and signallers are not prompted any longer by regard for their own purses to prevent, as far as possible, the mutilation of non-collated messages.

The Chamber imagine that this result of relieving the Telegraph from responsibility must have been overlooked by the Convention; and I have the honor, therefore, to solicit you to take the requisite steps for obtaining a return to the former rule regarding the repetition of mutilated ordinary messages.

MARINE SURVEYS.

On this subject the Chamber's last Report contained a correspondence between the Port Commissioners and the Committee, also a letter from the Government of Bengal announcing that the Government of India had under consideration the whole question of consolidating and amending the existing law relating to merchant seamen, of which the survey of ships naturally forms a part.

On this occasion the Committee present further references made by them to the Government of Bengal; and it will be noticed that they have again pressed upon the attention of His Honor

the Lieutenant-Governor the expediency of early local legislation without waiting for the issue of the Merchant Shipping Bill which has been under the consideration of Parliament.

This point was strongly urged at the last General Meeting of the Chamber, and the Committee lost no time in communicating with Government, from whom however no reply has been received.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 15th January 1876.

The Committee of the Chamber of Commerce direct me to submit for the consideration of the Hon'ble the Lieutenant-Governor the expediency of making legislative provision applicable to the Marine Surveys of this Port.

If His Honor will be pleased to refer to what has already been recorded on this subject it will be observed how anxious the late Lieutenant-Governor was that some system should be introduced by which sea going ships of the Indian trade should be properly certificated, in order to avert, as far as experience and proper precautions could command such a result, the repetition of those disastrous occurrences which had so forcibly impressed Sir George Campbell with the necessity for guarding against their recurrence; and that the modes, rules, and practice of Marine Surveys, and the responsibilities of surveyors, should be authoritatively determined: and one of his

latest executive proceedings was to lay before the Government of India his reiterated recommendations and opinions regarding this matter.

Unfortunately the course then taken has not led to the adoption of any legislative measure, the question having been held to be a part of a comprehensive scheme for consolidating and amending the law relating to merchant seamen ; the proceeding with which has been stayed until the Merchant Shipping Bill for the United Kingdom has received the sanction of Parliament.

But the Committee are of opinion that the subject under notice requires immediate and separate legislation, and that there is no reason why its consideration should be postponed until the English law, or the Indian Shipping Bill which awaits it, is passed, as any enactment of the Council of the Lieutenant-Governor can hereafter be incorporated with the latter, should that be found necessary.

In their letter dated the 5th November 1873, the Committee entered fully into the subject when replying to Government of Bengal letter No. 3608 of 16th September ; and I am directed to repeat the recommendation therein submitted that the Port Commissioners should be legally authorised to exercise all necessary powers for the conduct of surveys, the examination and licensing of surveyors, and generally for the proper protection of all interests involved in so important a service.

The necessity for a tribunal of the character suggested by the Port Commissioners was forcibly demonstrated a few months ago by circumstances which disclosed a remarkable variance of facts as stated by the Master of a

merchant ship and a surveyor whom he publicly charged with a gross dereliction of duty.

The alleged misconduct would have properly formed the subject of enquiry entirely within the province of such a tribunal whose impartial investigation of the charges and counter statements would have resulted in a decision commanding the attention and respect of the commercial public.

In consequence however of the non-existence of a legally constituted authority to take cognizance of such matters the case referred to remains unrelieved of the grave imputations cast on a public surveyor.

Extract from a letter from A. O. HUME, ESQ., C. B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, to the Secretary to the Government of Bengal, No. 429, dated Calcutta, the 28th December 1875.

PARA. 1.—In forwarding the accompanying letters* from the Government of Bombay, representing the necessity for legislation for giving Indian port authorities power to survey vessels suspected to be unseaworthy otherwise than on the application of the crews, and submitting the record of an enquiry into the foundering of the ship *Wide-awake*, owned by an Arab merchant of Calcutta, I am directed to invite the attention of the Government of Bengal to the Home legislation† of last session on the subject of the sur-

* No. 1248, dated 16th October 1875, and enclosures.
„ 1279, „ 22nd „ „ „

† 38 and 39 Vic., cap 88 (republished in the *Gazette of India* of the 13th November 1875.)

vey of unseaworthy ships, and to request that, with the permission of His Honor the Lieutenant-Governor, the Government of India may be favoured at an early date with an expression of the opinion of the Government of Bengal as to which, if any, of the provisions embodied therein should be adopted in India and with what modifications.

No. 120.

FORWARDED to the Secretary to the Chamber of Commerce, with a request that the Lieutenant-Governor may be favoured with an expression of his opinion on the subject. The Act referred to will be found in the *Calcutta Gazette* of the 17th November 1875.

By order of the Lieutenant-Governor of Bengal,
J. A. BOURDILLON,
Acting Asst. Secy. to the Govt. of Bengal.

CALCUTTA ;
GENERAL DEPT.—*Marine,*
The 17th January 1876.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 8th February 1876.

General Department,—Marine.

Your official Memorandum No. 120 of the 17th ultimo has been submitted to the Committee of the Chamber of Commerce, by whom I am desired to acknowledge its receipt with the following expression of their opinion.

On the 15th of last month I had the honor to submit for the consideration of the Hon'ble the Lieutenant-Governor

the Committee's views as to the expediency of placing the Marine Surveyors of this Port under the provisions of some legislative enactment applicable to local circumstances ; and the representation by the Government of Bombay, based on the foundering of the native owned vessel the *Wide-awake*, presents itself opportunely, since it furnishes an additional proof of the necessity for the measure recommended by the Chamber.

That His Honor the Lieutenant-Governor has not been unmindful of this subject is shown by the 10th paragraph of Resolution, dated 20th July last, on Report of the Police Administration for 1874, which, for convenience of reference, is here introduced.

10. *Shipping Act.—The Lieutenant-Governor observes with the greatest regret that the Magistrate of the Southern Division reports that the seamen of the merchant service are becoming more troublesome than formerly, and that cases of refusal of duty and absence without leave are common. He admits, however, that, in one case, the allegation of the men that the vessel was not in a fit state to proceed to sea was well founded. The Lieutenant-Governor fears that in other cases allegations to this effect have been made by the offenders, and though not accepted by the Magistrate, they might have been true for all that, inasmuch as there are not sufficient means of testing them. A copy of the Magistrate's remarks, pointing out that in the absence of a survey prior to leaving port the seamen have no guarantee that the vessels they ship in are good and seaworthy, will be forwarded to the General Department (Marine) of this Government for immediate consideration, inasmuch as the matter is, in the Lieutenant-Governor's estimation, one of grave and urgent importance.*

The Committee will hail with satisfaction the early action of Government resulting in legislation that may more effectually protect the interests which marine surveys are intended to guard against aught that may endanger life and property ; and that object will, they believe, be materially served by introducing into an enactment applicable to British India the provisions of the Imperial Merchant Shipping Act of 1875, with such modifications as local circumstances may necessitate.

To adapt the Act to the Port of Calcutta the Committee suggest the following amendment :—

That the words *Commissioners for the Improvement of the Port of Calcutta* shall be substituted for the words *Board of Trade*, wherever the latter occur.

That the appointment and renumeration of fit and proper persons having authority to detain unseaworthy ships shall be made by the said Commissioners who shall have power to revoke such appointment, from time to time, as they may think fit.

That a ship shall be detained not only on complaint by one-fourth of the crew, but also upon the authority of the said Commissioners, if in their judgment detention was justifiable under circumstances other than complaint or application by any of the crew. There should, however, be a penalty applicable to cases of proved conspiracy or wrongful detention, in order that wilful or malicious detention may be adequately punished.

As the Imperial Act applies solely to *British* ships, and can reach them in any of Her Majesty's Possessions abroad, the only local legislation necessary is to extend

its provisions so as to cover vessels belonging to British Indian Ports, including all native owned seagoing craft, as it is almost exclusively among vessels owned by natives and manned by native crews that casualties of the character already noticed take place.

THE MERCHANT SEAMEN'S ACT.

A reference having been made by the Lieutenant-Governor for an expression of opinion on the provisions of the proposed Bill on the above subject the following remarks were submitted.

As stated in the Committee's letter it appears that the law as at present existing is fully sufficient for the relief of seamen who are really distressed: and, therefore, as the whole subject of ships and seamen is being considered at Home, there is not the urgency for the proposals being passed into law which Government wish to claim for them.

From Govt. of Bengal to Chamber of Commerce.

Dated Darjeeling, 16*th October* 1875.

I am directed to send the accompanying copy of a letter No. 524 of the 29th September 1875, with enclosures, from the Secretary to the Government of India in the Legislative Department, and to request that the Lieutenant-Governor may be favored with an early expression

of the Chamber's opinion on the provisions of the "Bill to amend the law relating to Merchant Seamen" which has been introduced into the Council of the Governor General.

From Govt. of India to Govt. of Bengal.

Dated Simla, 29th September 1875.

I am directed to forward herewith a copy of the Bill to amend the law relating to Merchant Seamen (together with its annexure), which has been introduced this day into the Council of the Governor General, and has been referred to a Select Committee with instructions to report in three months; and I am to request that His Honor the Lieutenant-Governor will favor the Government of India in this Department with an expression of his opinion on the provisions of the Bill.

2. I am also to request that the Bill and statement of objects and reasons may be published in the *Calcutta Gazette*, and that the dates of such publication may be communicated in your reply.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 27th November 1875.

The Committee of the Chamber of Commerce instruct me to submit for the consideration of His Honor the Lieutenant-Governor the following observations on the provisions of the Bill to amend the Law relating to mer-

chant seamen received with your letter No. 34 of 16th ultimo.

But before proceeding to record their opinions of the separate sections of the Bill, the Committee direct me to say that in their judgment the stringency of the law as it already exists (Merchant Shipping Act of 1854) and the precautions taken under it against seamen being illegally discharged or improperly left behind at foreign places reduce to a minimum the evil which the Bill is supposed to deal with, and that the expediency of the proposed enactment in these respects does not appear to be called for by the circumstances of the Port of Calcutta.

A great public nuisance, offensive in every respect, no doubt exists in the number of vagrants and loafers who abound in this city, and the Committee's apprehension is that the Bill may be made the means of affording to this class of destitute Europeans the relief which it is proposed to extend only to the legitimate objects of its protection, *viz.*, seamen who have been *shipwrecked, discharged,* or *left behind on the ground of inability to proceed on the voyage.*

Section 2.—The Committee are of opinion that the term *owner* should not be held to include *agent.* The proposed interpretation or definition appears to them to be objectionable and based on a misapprehension of the real position of a so-called agent in India. In many cases a ship's agent is the agent of a charterer rather than of the owner, and in such cases the agent's and owner's interests are to some extent antagonistic. In very rare instances

has an agent power over a master, who entirely represents the owner in matters affecting the seamen.

Therefore to render an agent—a temporary consignee of a vessel—liable to fine and imprisonment for default in matters in which he has no interest and over which he has no possible control is an unreasonable provision of the Bill.

Section 3.—1. The Committee are of opinion that the certificate that a seaman is a "distressed seaman" within the meaning of the Act should be signed by a Magistrate or the Commissioner of Police and not by any subordinate officer appointed by the local Government. If, however, it be found more convenient that a subordinate officer, such as the Deputy Shipping Master, should be employed to examine into cases of distressed seamen, the Committee are of opinion that that officer should not have power to grant a certificate which would be conclusive evidence of a seaman's distress, but there should be an appeal to a Magistrate.

But whoever may be the authority to determine this most material point, the Committee are of opinion that the term "distressed seaman" should be defined for his guidance. Section 211 of the Imperial Act of 1854 refers to distressed seamen as those who have been *shipwrecked, discharged,* or *left behind;* the last condition meaning (as per instructions to officers in British possessions abroad) *left behind on the ground of inability to proceed on the voyage.*

2. The Committee are of opinion that when distressed

seamen are to be provided with a passage at the public expense the ship should have reasonable notice (of not less than a week previous to her departure) of the number of men allotted to her: that, with the view to guard against contagious disease being carried on board, every seaman so shipped should be required to present a health certificate signed by the Port Surgeon that the man is fit for the voyage, and that every such seaman should be placed on the ship's articles in order to render him amenable to the same rules of discipline as the crew, short of actual service.

Sections 4 and 5.—The object of these 2 sections appears to be the very desirable one of preventing the accumulation of vagrants in Calcutta, which, as already remarked, is a public nuisance of no small magnitude, and in that respect the sections are approved: but at the same time their provisions involve the important issue of interference with agreements between Master and Seamen. In many cases men are shipped for the voyage only, and the Committee apprehend that the local Government has not the power to set aside such special contracts.

Seamen thus paid off can always be sent home as distressed seamen in case of there being no regular employment for them, but as a rule there is always a demand in this port for able-bodied men.

The refusal to allow ships to take native crews in the place of Europeans is in the Committee's opinion indefensible on the broad principle of interference with freedom of trade, and would be especially unjust in cases where vessels or steamers come to India with the object of re-

gularly trading to and in the East. It is true that, under these sections, with the sanction of Government, seamen may be discharged and native crews engaged; but if the seamen agree to take their discharge and lascars are willing to take their place, it should be an obligation on the part of Government both to grant the discharge and to sanction the engagement.

In the judgment of the Committee the penalty of imprisonment is far too severe for the contemplated offence under these 2 sections; and for a master of a ship to be incarcerated in an Indian gaol, especially in the hot weather, is a punishment commensurate to a far greater misdemeanour than that committed under these provisions. The money penalty would be amply sufficient, if even that be necessary—the Customs authorities having full power already to bring a refractory master to his senses by refusing his port clearance.

Section 6.—The Committee are of opinion that the money penalty provided for in this section is sufficient; that the penalty of imprisonment should be struck out for the reasons already recorded; and that the former should be applicable only to the master of a vessel and not to the owner or agent, who cannot possess the information as to a seaman's desertion or absence, and consequently cannot comply with the provision of the section. To throw on an owner or agent the responsibility of a duty which is a master's special care is most unreasonable.

Sections 7 and 8.—The Committee have no objection to offer to the former of these sections except in so far as it is applicable in connection with the section following. The provisions contained in Section 8 are, in the judgment of

the Committee, most unjust and prejudicial to the ship, while at the same time it offers to the seaman inducements to commit offences so as to bring him under its operation. It seems to be overlooked that a ship has to take away another man in the place of the prisoner if she refuses him ; and the Committee cannot see why the prisoner so refused should not work his way home in another vessel. The provisions of the section are tantamount to giving the man, at the expense of his late ship, a 3 months' holiday after his imprisoment ; and if his offence has been such as to compel the master to refuse to receive the prisoner, the law should rather protect the master than a refractory seaman, who may at sea repeat the offence for which he was punished ashore, and be a troublesome and unwelcome member of the crew on the return voyage. It should be *optional* with the master, and *not compulsory* on him, to take back a seaman after his imprisonment.

Sections 9 and 10.—The Committee see no objection to the provisions of these 2 sections.

Rules for the Examination of Masters, Mates, and Engineers.

The Government proposals on this subject appear to the Committee desirable and, as far as they can ascertain in accordance with Home practice. It is to be hoped that no recurrence of a case such as has been brought to the notice of the Local Government by the Board of Trade will be possible under the Rules now proposed.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 16th March 1876.

I am directed to forward copy of a correspondence noted on the margin regarding the examination in this country of masters, mates, and engineers of the mercantile marine, and to request that the Government may be favored with an expression of the views of the Chamber of Commerce on the question of the appointment of examiners.

To the Government of India, Revenue, Agriculture, and Commerce Department, No. 3415, dated 1st December 1875, and enclosures.

From the Government of India, Revenue, Agriculture, and Commerce Department, No. 40, dated 2nd February 1876, and enclosures.

From Govt. of Bengal to the Govt. of India.

Dated the 1st December 1875.

In continuation of my letter No. 2917, dated 10th September 1874, I am directed to submit, for the purpose of being laid before the Board of Trade, London, copy of a letter No. 6924, dated 9th November 1875, with enclosures, from the Officiating Master Attendant, submitting rules for the examination, in this country, of Masters, Mates, and Engineers, revised in accordance with the regulations of the Board of Trade.

2. With regard to the question of domicile raised in paragraph 2 of the Officiating Master Attendant's letter, I am to say that although it is regarded by the Board of Trade as a *sine qua non* to their recognition of the certificates granted at Calcutta, still it does not appear to the

Lieutenant-Governor that, under this rule, the Calcutta examiners will be precluded from granting, in the cases to which Captain Baker refers in his letter, certificates which will enable the officers to obtain promotion as at present, but their retention of promotion will depend on their again passing the examination of the Board of Trade. I am to observe that His Honor does not understand that the want of domicile will necessarily debar a candidate from passing the examination, but only that it will disqualify him for receiving a certificate which the Board of Trade will be able to recognize. Sir Richard Temple does not therefore desire to press for any relaxation of the rule.

3. The Officiating Master Attendant has submitted a set of blank certificates on parchment, which are at present in use in Calcutta, and I am to say that, if approved by the Board of Trade, they will be printed in the form, size, and color used by the Board; and that separate certificates will be printed for 2nd Mates and only Mates.

4. In regard to the form of examination papers, the Officiating Master Attendant has selected, with slight alterations, the Board of Trade's forms No. 1 to 7, and 10 to 17 and 23; and I am to request that if they are approved by the Board, a complete set of them as altered may be supplied for that officer's guidance.

5. The remarks made in paragraphs 5 and 6 of the Officiating Master Attendant's letter appear to the Lieutenant-Governor to be worthy of consideration when an opportunity offers for the amendment of Act I of 1859.

6. With regard to Captain Baker's 7th paragraph, I

am to say that His Honor does not see the necessity for amending the scale of fees, as it is not to be supposed that the Board of Trade will require the practice in this matter to be uniform. The fees can, however, be assimilated to those paid in England if the Board desire that this should be done.

7. On the question of the appointment of examiners and testing their qualifications, I am to say that Sir Richard Temple desires to adhere to the views expressed in Mr. Cotton's letter No. 49, dated 11th January 1875.

8. I am to represent that His Honor considers that the question discussed in this correspondence is one of much importance to the Indian Mercantile Marine, and to express a hope that the Board of Trade will be pleased, under the explanations now offered, and with the guarantee of the rules now adopted, to advise Her Majesty to issue the necessary orders in Council for extending to Calcutta the provisions of section 8 of the Merchant Shipping (Colonial) Act of 1869.

9. The original enclosures of your office letter No. 59, dated 18th May 1874 are herewith returned.

From Government of India to Govt. of Bengal.

Calcutta, 2nd February 1876.

I am directed to acknowledge the receipt of your letter No. 3415, (Marine), dated the 1st December last, submitting, with reference to previous correspondence, rules for the examination in this country of masters, mates, and

engineers of the mercantile marine, revised in accordance with the regulations of the Board of Trade.

2. In reply, I am directed to state that the papers will be transmitted to the Secretary of State, with a request that it may be ascertained from the Board whether the rules meet with their approval, and that they may be urged to accept all certificates that may be granted under the new system.

3. In the meantime I am directed to request that, with the permission of His Honor the Lieutenant-Governor, arrangements may at once be made for the appointment of a qualified Examination Board to be constituted as follows :—

(*a.*)—An officer of the navigating branch of the Royal Navy, of not lower rank than a Staff Lieutenant, as examiner in navigation, the senior Royal Navy officer (not being below the rank indicated) present for the time being at the headquarters of the Marine Survey Department being *ex-officio* examiners in that branch.

(*b.*)—Three experienced masters, who have been recently in successful command of merchant vessels, as examiners in seamanship, &c.

(*c.*)—Three engineers as examiners in steam.

A suitable person should be chosen as permanent president of the seamanship examiners, and the chief engineer examiners.

4. It should be determined by His Honor where, at what intervals, quarterly or half-yearly, and on or about what dates the examinations should be held; and also who should be the president of the seamanship examiners, in what manner and under what rules the three masters and the three engineers are to be selected and appointed for each examination, and what fees it is proposed they should receive for their attendance on this duty. The foregoing details should be carefully worked out at as early a date as possible, and I am to request that when they have been settled the Government of India may be informed of the result, and also of the date on which it is proposed to hold the first examination.

5. Referring to paragraph 2 of your letter, His Excellency the Governor-General in Council agrees with His Honor in the opinion that the rule requiring persons in India to be domiciled for three years previous to examination will not debar a candidate from being examined, the only effect being that it will disqualify him from receiving a certificate which the Board of Trade can recognize.

6. His Excellency in Council also agrees with His Honor's view that there is no special reason for assimilating the examination fees in India to those in force in England.

7. The suggestion in paragraph 5, that the Act (I of 1859) should be amended so as to make false declarations punishable, and the question of the declaration referred to in paragraph 6, will be taken into consideration.

8. I am to take this opportunity of forwarding copy

of a despatch from the Secretary of State, No. 532 (Financial), dated the 28th of October last, with enclosure, from the Board of Trade, relative to the proposed extension to India of section 8 of the Merchant Shipping (Colonial) Act, 1869, and to the failure of Mr. Richard William Meade to pass an examination in England for a second mate's certificate, notwithstanding the fact that such a certificate had been granted to him in Bengal in June 1874. It will be observed from these papers that the appointment of a duly qualified Board of Examiners is essentially necessary, and I am to request that the circumstances of the case now brought to notice may receive due consideration in the arrangements to be made by the Government of Bengal under the orders contained in this letter. I am also to request that a separate report in the case of Mr. Meade may be furnished for the information of the Government of India and for transmission to the Secretary of State.

From Secretary of State for India to Governor-General of India in Council.

London, 28th October 1875.

In continuation of my Financial despatch, dated this day, No. 538, I forward herewith, for your serious consideration and report, copy of a further letter from the Board of Trade, dated the 13th instant, relative to the extension to India of section 8 of the Merchant Shipping (Colonial) Act, 1869, and to the failure of Mr. Richard William Meade in passing an examination in this country for a second mate's certificate, notwithstanding such a certificate had been granted to him by the authorities in

Bengal after an examination passed at Calcutta in June 1874.

From Thomas Gray, Esq., to Under-Secretary of State, India Office.

CERTIFICATES.

I am directed by the Board of Trade to state, for the information of the Secretary of State for India in Council, that the chief examiner of candidates for masters' and mates' certificates in the United Kingdom reports that Mr. Richard William Meade, who passed at Calcutta in June 1874 for a second mate's certificate, recently applied for permission to present himself for examination for a certificate of the same grade in London.

The required permission was accorded to him, and he was examined on the 27th ultimo, the result being that he has not merely failed, but his examination papers are so very bad, and show so much ignorance, that this Board cannot understand how he contrived to succeed in passing the examination at Calcutta.

The only conclusion to which this Board can come is either that the standard of examination in India was at the date very much below the standard in the United Kingdom, or that the examinations were very inefficiently conducted.

The Board are led to make these observations in consequence of the recent application by the Government of India that the provisions of section 8 of the "Merchant Shipping (Colonial) Act, 1869," may be extended to certificates of competency issued by that Government.

It must be remembered that the effect of the extension, if granted, will be to place these certificates on an equality with the like certificates issued by this Board, and to give them equal advantages in every respect. But one of the chief conditions imposed by the Act upon which these privileges may be granted is, that this Board must be "satisfied that the examinations are so conducted as to be equally efficient as the examinations for the same purpose in the United Kingdom under the Acts relating to merchant shipping."

As a matter also of justice towards those candidates who present themselves for examination in the United Kingdom, it is important that candidates for equivalent certificates in British possessions should not be able to obtain them with greater facility than in the United Kingdom, in consequence of the examinations being conducted with less efficiency than in this country.

It is possible that the case of Richard Meade may be exceptional, and that, from some cause which does not appear, his ability to pass in London for the same grade for which he passed twelve months previously in Calcutta entirely failed him at the time; but to judge from his papers it is difficult to arrive at any other conclusion than that already mentioned.

Looking, however, to the importance of an efficient system of examination being secured in India, now that it is proposed to extend the provisions of section 8 of the "Merchant Shipping (Colonial) Act, 1869," to Bengal, I am to request you to be good enough to direct the attention of Lord Salisbury to the subject of this letter, and to

move his lordship, should he see no objection, to cause enquiries to be made of the Government of India in regard to the case of Richard W. Meade.

No. 40, *dated Fort William, the* 5*th Jan.* 1876.

Endorsed by the Government of India, Financial Dept.

Transferred to the Department of Revenue, Agriculture, and Commerce for disposal, in continuation of the communication from this Department, No. 39 of this date.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 4th April 1876.

The Committee of the Chamber of Commerce desire me to state in reply to your letter No. 742 of the 16th ultimo that, in their judgment, a Board constituted as proposed by the Government of India for the examination, in this country, of masters, mates and engineers of the mercantile marine would be a sufficient tribunal for testing the qualifications of candidates; and they will be glad to see it established, in order that certificates of competency may be granted only after such a full and searching examination as shall entitle the recipients thereof to be held equal to any standard of efficiency in the United Kingdom.

The case of Mr. Meade which was specially referred by the Board of Trade to Her Majesty's Secretary of State for India would appear to justify the conclusion that his

examination in Calcutta must have been very inefficiently conducted, or that the local standard was greatly below that observed at home ; and the Committee believe and hope that under the proposed system a repetition of a similar case will be impossible.

The Committee are of opinion that the Board of Examiners would be greatly strengthened by the proposed appointment of three experienced masters of merchant vessels, but as that service would involve the loss to them of considerable time which would otherwise be devoted to their legitimate duties, the Committee suggest that they should receive moderate remuneration for their attendance at the Board.

Detention of Overland Mails in the London and Bombay Post Offices.

The detention of a portion of the Overland Mail for India which should have been transmitted by the Brindisi route on 24th December last was the subject of a prompt remonstrance by the Committee, and the following correspondence ensued.

Members will also observe that the Committee have lately drawn attention to the detention at Bombay of Mails arriving there early in the morning and kept for the evening train ; but, from the reply of the Director General of the Post Office, it will be seen that the delay

cannot be obviated except by a special train all the way to Calcutta, and that the cost of such a service would not be warranted by the circumstances or sanctioned by the Government.

From Chamber of Commerce to Director General of the Post Office.

Calcutta, 18th January 1876.

The *Englishman* of the 14th instant contained a special telegram from Allahabad, dated the previous day, to the following effect :—" Intimation has been received by the " Bombay Post Office, that owing to the enormous pres- " sure of business in London when the mail of the 24th " ultimo was despatched, many letters for India were " left behind,"—and a memorandum by the Post Master of Bombay published in the *Bombay Gazette* of the 14th confirms that announcement, and adds that many letters for the Colonies and for China had been similarly dealt with.

With reference to such an unprecedented proceeding on the part of the London Post Office the Committee of the Chamber of Commerce desire me to draw your attention to the very serious inconvenience it may occasion the commercial community whose letters had not been despatched ; for not only will the advice of the purchase or shipment of goods be delayed a whole week and the market to that extent be lost, but great embarrassment may be caused to merchants if consignments of goods from England by Canal steamers arrive in the absence

of advices for their guidance, but they will also be exposed to the greatest difficulty in transacting their business at the Customs, and to heavy charges for goods regarding which they have no information.

The Committee are of opinion that the detention of any portion of the Overland mails to the East, which are despatched only once a week, would be most unjustifiable except under circumstances which were absolutely unavoidable; but that it should have occurred, as it is believed it did, under the pressure of an unusually heavy and accumulated Christmas correspondence for distribution in the United Kingdom, discloses a singular disregard for the proper performance of an important foreign service; and the Committee trust you will submit a strong and urgent remonstrance to Her Majesty's Post Master General against the manner in which that service has been neglected on this occasion.

From Post Office of India to Chamber of Commerce.

Calcutta, 28th January 1876.

In acknowledging the receipt of your letter dated 18th January I have the honor to enclose copy of a telegram dated 30th December from the British Post Office to the British Packet Agent at Suez, that formed the warrant for the announcement to which you allude as respects the detention of numerous letters posted in time for despatch by the mail from London of the 24th December last.

2. On first reading the telegram I did not believe that any letters for India had been left behind on the occasion

in question, and this view has been confirmed both by the absence of specific complaint from the public and by the fact that no communication on the subject has reached me from Her Majesty's Post Master General.

3. There can, however, be no doubt that owing to "enormous pressure of business" on Xmas eve very many letters for places in the East other than India were kept back: this course was not in my opinion consistent with the proper performance of the weekly Overland service, and efforts should be made to prevent the recurrence of what has been correctly characterised by you as neglect.

4. I have therefore forwarded your letter for submission to Her Majesty's Post Master General with a communication No. 7338 dated 28th January 1876 of which a copy is enclosed.

Telegram.

To The British Packet Agent, Suez.

London, 30th December 1875.

Will you write by to-morrow's packet to Post Master General, Ceylon, Hong-Kong, Singapore and each Australian Colony informing them that enormous pressure of business on night of twenty-fourth caused many letters for those Colonies and for China and Japan to be left behind; this will explain failure if complained of; inform Sorting Officers on board packet for Bombay to like effect for communication to Post Master General Bombay.

From Post Office of India to Post Office, London.

Calcutta, 28th January 1876.

I have the honor to forward for your information the enclosed copy of a letter dated 18th January from the Bengal Chamber of Commerce directing attention to the very serious inconvenience that may result to the mercantile community from the detention for one week of letters for the East, posted in time for despatch by the mail which left London on the 24th December, and praying that an urgent remonstrance may be submitted to Her Majesty's Post Master General, against the manner in which the weekly overland service to the East was neglected on the occasion in question.

2. The sole official intimation that has reached me consists of the copy of a telegram (transcript enclosed) from your office to the British Packet Agent, Suez, dated 30th December, which states that letters for Ceylon, Hong-kong, Singapore, the Australian Colonies, China and Japan had been left behind "through enormous pressure of business," it is not stated that any letters for India had been detained and the fact that no communication from your office on the subject has reached this office favors my first impression that no such detention took place.

3. I would however state my concurrence with the view expressed by the Committee to the effect that "the "detention of any portion of the overland mails to the "East which are despatched only once a week would be "most unjustifiable except under circumstances which

" were absolutely unavoidable." And I do not regard an enormous pressure of business on Christmas eve as a sufficient warrant for such a detention. A postponement of the departure of the steamer to the extent of even 24 hours would obviously have been a lesser evil than delaying the despatch of a large mass of correspondence for one whole week.

4. I trust that you will be good enough to lay these views before Her Majesty's Post Master General in the hope that they may be recognised as governing any future case of like emergency.

From Chamber of Commerce to Director General of the Post Office.

Calcutta, 2nd February 1876.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 7339 of the 28th ultimo, and to thank you for the promptitude with which you have addressed Her Majesty's Post Master General on the subject of their reference.

It is within the knowledge of the Committee that important covers for Calcutta posted for transmission by the 24th December mail were not forwarded ; and the absence of specific complaints from the public may be attributed to the timely announcement that letters *had* been detained and to the consequent necessity of submitting to the disappointment and awaiting the arrival of the following mail for the missing correspondence.

From Post Office of India to Chamber of Commerce.

Calcutta, 20th March 1876.

In continuation of my letter No. 7339, dated 28th January, relative to the detention of letters posted in time for despatch by the mail from London of the 24th December, I have the honor to transmit, for the information of the Chamber, copy of reply No. 65B, dated 25th February, from the British Post Office.

2. It will be seen that Her Majesty's Post Master General exceedingly regrets the delay and has promised to endeavour to anticipate future pressures of the kind.

From General Post Office.

London, 25th February 1876.

The Post Master General has had before him your letter, No. 7338, of the 28th ultimo, with copy of one from the Bengal Chamber of Commerce, relative to the inconvenience caused by the detention in London of a portion of the correspondence for the East intended for despatch by the mail, viâ Brindisi, of the 24th December last.

As you appear already to have learned, the cause of the delay was the extraordinary pressure of work in this office on Christmas eve. On that occasion there was an unfortunate conjuncture of difficulties, owing partly to the late arrival in London of some of the principal mails from the Provinces, the Railway trains being behind

time, and partly to the accidental circumstance of an unusual number of Foreign and Colonial mails being despatched on the 24th December.

The Post Master General exceedingly regrets the delay which unfortunately occurred, and his Lordship will endeavour to anticipate, so far as the Post Office can, any future pressure of the same kind.

From Chamber of Commerce to Post Office of India

Calcutta, 29th March 1876.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of letter No. 8549 of 20th instant, and to thank you for communicating the result of your reference to Her Majesty's Post Master General regarding the detention of portion of the overland mail of 24th December last.

DETENTION OF MAILS AT BOMBAY.

From Chamber of Commerce to the Director General of the Post Office of India.

Calcutta, 25th April 1876.

The frequent arrival of the overland mail steamers at Bombay at an early hour in the morning and the detention of the mails until the departure of the ordinary train at 6 in the evening induce the Committee of the Chamber of Commerce to inquire if it is not possible to obviate

that detention and to accelerate the delivery of letters for distant destinations?

On two occasions during the current month—the 6th and 20th instant—the mail packets were signalled before 6 A. M., and as the mails did not leave till 6 P. M., they were kept waiting in the Bombay Post office for nearly 12 hours: and the Committee desire me to request you will favor them with the expression of your opinion whether the mails could not be transmitted under special arrangements so as to overtake the previous night's train at Jubbulpore or Allahabad: and whether the Government of India would sanction such acceleration and the cost thereof, if the saving of the time otherwise lost at Bombay could be so accomplished.

From Director General of the Post Office of India to Chamber of Commerce.

Simla, 5th May 1876.

I have the honor to acknowledge the receipt of your letter of the 25th ultimo and in reply to state, for the information of the Chamber, that, under existing regulations, a special train is employed for the conveyance of the overland mails from Bombay on all occasions when it is possible to catch up the ordinary train before the latter leaves Jubbulpore.

2. To overtake the ordinary train before or at Jubbulpore it is necessary to start the special train before or at midnight, so that it is only in the event of a late afternoon or evening arrival of the mails that the employment of a

special train is of any advantage. The rule prescribed for the Bombay Post office is that a special train should be used when the last batch of overland mails reaches the Bombay Post office between 6-15 and 11-30 P. M. If this period were extended by 2 hours the special train starting at say 1-30 A. M. would not overtake the ordinary train before Allahabad.

3. The use under present rules of a special train as far as Jubbulpore involves a cost of Rupees 1,848, and the use of a similar train as far as Allahabad (although this has not been sanctioned by the Government) would cost at the same rate about Rupees 2,535.

4. To provide for the prompt transmission of overland mails arriving at Bombay (as in the cases referred to by you) early in the morning, nothing short of a special train all the way to Calcutta would do : and the cost of such a service would not in my opinion be warranted by the circumstances or sanctioned by the Government.

THE PIDDINGTON FUND.

Early in 1870 the Chamber ventured to enlist the sympathy and aid of the mercantile and general community in favor of Mrs. Piddington, the aged widow of Mr. Henry Piddington, author of the *Law of Storms*, and for some years the Coroner for Calcutta and President of the Marine Court.

A liberal subscription was raised which enabled

the Chamber to improve the widow's slender circumstances by adding 100 rupees a month to her income: and that provision was continued up to the time of Mrs. Piddington's death, which took place last September.

After payment of funeral expenses and cost of a monument in the cemetery of Chandernagore, the Chamber held a surplus which admitted of a refund of a moiety of subscriptions; and the Committee have therefore closed the Fund by returning 50 per cent. of the contributions.

THE COMMITTEE.

The following members having been appointed by the Committee as their colleagues during the half-year under the provisions of Rule 8, you are requested to confirm their elections :—

Mr. W. Craik, Mr. J. A. Anderson, Mr. Duncan Mackinnon, and Mr. S. A. Micrulachi.

The vacancies in Committee filled up by these members were created by the appointment of Mr. J. Morison as Vice-President and by the resignation of Messrs. Negroponte, Macmichael, and Flemington, proceeded to Europe.

MEMBERS RETIRED.

Messrs. Argenti Schilizzi and Co., Messrs. Kerr Taruck and Co., Messrs. Schlapfer Putz and Co., and Manockjee Rustomjee, Esq.

FUNDS OF THE CHAMBER.

The Chamber's balance on 30th April amounted to Rs. 1,114-5-0, exclusive of Rs. 10,000 in 4 per cent. Government Securities.

JOHN MORISON,

Vice-President.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce from 1st November 1875 to 30th April 1876.

				Rs.	A.	P.		Rs. A. P.	Rs. A. P.
To Office Rent ...	...	...		900	0	0	By Balance of 31st Oct. 1875:		
„ Establishment	...	...		7,161	0	0	Cash in Bank of Bengal ...	20 5 0	
„ Charges General	...	...		3,747	7	10	„ in hand ...	1,494 5 10	
				11,808	7	10		1.514 10 10	
							Government Paper ...	10,000 0 0	11,514 10 10
„ Balance—									
Cash in Bank of Bengal		20	5	0					
„ in hand	...	1,094	0	0			„ Subscriptions	7,746 0 0	
		1,114	5	0			„ Receipts from Price Current	3,462 2 0	
Government Paper	...	10,000	0	0			„ Interest on Government Paper for Rs. 10,000 ...	200 0 0	
				11,114	5	0			11,408 2 0
			Rupees	22,922	12	10		Rupees	22,922 12 10

CALCUTTA,
30th April 1876.

E. E.

H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the PORT OF CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 12th February 1872, with effect from 1st September 1872, except as regards the measurement of Cotton, Hemp, Jute, Jute Cuttings, Rhea, Safflower, and other articles similarly packed, which, under the Chamber's Resolution of 14th June 1872 had effect from 1st July 1873.

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Aloes, in bags and boxes	20	.....
Alum, in ditto	20	.....
Aniseed, in bags	8	.....
Arrowroot, in cases	.....	50
Arsenic, in bags or cases	20	.....
Asafœtida, in bags and boxes ...	20	.....
Apparel, in boxes	.....	50
Bark, in bags	8	.....
Bees' Wax	20 gross	
Barilla	20	.....
Betel-nut	20	.....
Books	.....	50
Borax	20	.....
Bran	14	.....
Brimstone	20	.....
Bullion	at per cent.	
Cake-lac, in bags	16	.....
Camphor, in cases	.....	50
Cardamoms, in robins	8	.....
,, boxes	.....	50
Cassia, in boxes	.....	50
,, bags	12	.....
Castor Seed	15	.....
Chillies, (dry) in bags	8	.....
China Root, in bags	11	.....
,, boxes	.....	50
Chiretta	.....	50
Churrah	14	.....
Cigars	.....	50
Cloves, in bags	8	.....
,, boxes	.....	50
Coals	20	.....
Cochineal	.....	50
Coffee, in bags	18	.....
,, casks	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Coral, rough	20	.....
Coir, loose and unscrewed	12	.....
Copras, or Cocoanut Kernel	14	.....
Coriander Seed	12	.....
Cotton	.....	50
Cowries	20	.....
Cummin Seed	8	.....
,, Black	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
,, dry	16	.....
Dholl	20	.....
Elephants' Teeth in bulk	20	.....
Furniture	.....	50
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Gums, in cases	.....	50
Gunny Bags and Gunny Cloth	.....	50
Gunjah	.....	50
Hemp	.....	50
Hides, Buffalo, or Cow, cured ...	14	.....
Hoofs, Horn Shavings and Tips ...	20	.....
Horns, Cow, Buffalo, or Deer ...	20	.....
India Rubber, in bags	16	.....
,, in cases	.....	50
Indigo	.....	50
Iron	20	.....
Jute	.....	50
Jute Cuttings	.....	50
Lac Dye	.....	50
Lard	20 gross.	
Linseed	20	.....
Mace	.....	50
Machinery	20	.....
Metals	20	.....
Mathie Seed	18	.....
Mirabolams	16	.....
Molasses	2 puncheons or 4 hhds.	
Mother o'Pearl, in bags	20	.....
,, chests	20	.....
Munjeet	.....	50
Mustard or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	.....	50

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	50
„ casks	4 hhds.	
Opium	per chest	
Paddy	16	.....
Palmatine, in bags	16	.....
Peas	20	.....
Pepper, Long	12	.....
„ Black	14	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Putchuck	10	.....
Rags	.....	50
Raw Silk, in bales	10	.....
Rattans for dunnage	20	.....
Red Wood, ditto	20	.....
Rhea	.....	50
Rice	20	.....
Rope, in coils	.....	50
„ Lines and Twines, in bundles ...	16	.....
Rum, in casks	2 puncheons or 4 hhds.	
Safflower	.....	50
Sago, in cases	.....	50
Sal-amoniac, in bags	20	.....
„ boxes	20 gross.	
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	.....	50
Seed-lac, in cases	.....	50
„ bags	16	.....
Senna	.....	50
Shells, rough, in bags	20	.....
Shell-lac, in cases	.....	50
„ bags	16	.....
Silk Chussum	.....	50
„ Waste	.....	50
Silk Piece Goods	.....	50
Skins	14	.....
Soap, country, in cases	.....	50
„ bags	15	.....
„ bar	20	.....
Stick Lac, in cases	.....	50
„ bags	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Sugar	20	.....
Tallow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks.. ...	20	.....
Tapioca	.....	50
Tea	.....	50
Teel Seed	20	.....
Timber, round	.....	40
„ squared	.....	50
Tincal	20	.....
Tobacco, in bales	16	.....
Tortoise Shells, in chests	.....	50
Turmeric	16	.....
Wheat	20	.....
Wool	.....	50

1. Goods in Casks or Cases to be calculated gross weight when paying freight by weight; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in bales varying from 300 to 400 lbs.

4. The term "dead weight" shall be understood to mean the following articles:—Sugar, Saltpetre, Rice, Wheat, Gram, Dholl, Peas, Linseed, Rapeseed and all Metals.

H. W. I. WOOD,

Secretary.

SCHEDULE OF COMMISSION CHARGES,

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce held on the 18*th June* 1861,—*with effect from* 1*st January* 1862.

1.	On the sale, purchase, or shipment of Bullion, Gold Dust or Coin	1	per cent.
2.	On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones, or Jewellery	2½	„
3.	On purchasing ditto when funds are provided by the Agent	5	„
4.	On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ...	5	„
5.	On returns for Consignments if made in produce ...	2½	„
6.	On returns of Consignments if in Bills, Bullion, or Treasure	1	„
7.	On accepting Bills against Consignments ...	1	„
8.	On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ...	2½	„
9.	On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn ; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2*s.* per rupee.	half com.	
10.	On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent ...	2½	per cent.
11.	On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived	2½	„

12.	On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money	2½	per cent.
13.	On *del-credere* or guaranteeing the due realization of sales	2½	,,
14.	On the management of Estates for Executors or Administrators	2½	,,
15.	On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading	2½	,,
16.	On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ...	2½	,,
17.	On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive	5	,,
18.	On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings	5	,,
19.	On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file	2½	,,
20.	On realising inward freight, inward troop, Emigrant, or Cabin passage money	2½	,,
21.	On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ..	5	,,
	If Opium, Indigo, Raw Silk, or Silk Piece Goods...	2½	,,
	If Treasure, Precious Stones, or Jewellery ...	1	,,

22.	On effecting Insurances, whether on lives or property	½	per cent.
23.	On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium	2½	„
24.	On drawing, purchasing, selling, or negotiating Bills of Exchange	1	„
25.	On debts or other claims when a process at law or arbitration is incurred in claiming them ...	2½	„
	Or if recovered by such means	5	„
26.	On Bills of Exchange returned dishonored ...	1	„
27.	On collecting House Rent	2½	„
28.	On ship's Disbursements	2½	„
29.	On realising Bottomry Bonds, or negotiating any loan on *respondentia*	2½	„
30.	On granting Letters of Credit	1	„
31.	On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another	½	„
32.	On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value	½	„
33.	On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged	½	„

☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

Agelasto A. and Co.
Apcar and Co.
Ashburner and Co.
Anderson, Wright and Co.
Balfour, J. *Offg. Agent, Oriental Bank Corporation*
Barlow and Co.
Begg, Dunlop and Co.
Bloch, J., *Offg. Manager, Comptoir D' Escompte de Paris.*
Borradaile, Schiller and Co.
Buskin, E. G.
Burn and Co.
Calder, G. L., *Offg. Agent of the Eastern Bengal Railway Company.*
Carlisles Nephews and Co.
Cochrane, S. *Manager, Agra Bank, Limited.*
Colvin, Cowie and Co.
Crooke, Rome and Co.
Cox, Henry S.
Cohn Brothers and Co.
DeSouza, Thos. and Co.
Duncan Brothers and Co.
Dwarkanath Dutt and Co.
Ede and Hobson.
Ernsthausen and Oesterley.
Ewing and Co.
Elliott, John and Co.
Ezra, E. D. I.
Fergusson, J. H. and Co.
Finlay, Muir and Co.
Gisborne and Co.
Graf and Banziger.
Graham and Co.
Grindlay and Co.
Gubbay, Elias S.
Henderson, George and Co.
Heilgers, F. W. and Co.
Hoare, Miller and Co.
Huber and Co.
Jardine, Skinner and Co.
Kettlewell, Bullen and Co.
Kelly and Co.
Ker, Dods and Co.
King, Hamilton and Co.
Longmuir, T. *Manager, Delhi and London Bank, Limited.*
Lovell, H. P., *Supdt., P. & O. Steam Navigation Company.*
Mackillican, J. and Co.
Macallister, R. and Co.
Mackinnon, Mackenzie and Co.
Mackenzie, Lyall and Co.
Macneill and Co.
Macknight, Anderson and Co.
Moran, W. and Co.
Morriss, E., *Agent, Hong-Kong and Shanghai Banking Corporation.*
Nicol, Fleming and Co.
Petrocochino Brothers.
Prawnkissen Law and Co.
Ralli Brothers.
Ralli and Mavrojani.
Reinhold and Co.
Robert and Charriol.
Rentiers and Co.
Robinson, S. H., *Secretary Goosery Cotton Mills Co.*
Reid, J. M., *Agent, Chartered Mercantile Bank of India, London, and China.*
Sagrandi, J. P.
Simpson J., *Agent, Chartered Bank of India, Australia and China.*
Steel, McIntosh and Co.
Schroder, Smidt and Co.
Schoene, Kilburn and Co.
Sassoon, David and Co.
Shaw, Finlayson and Co.
Thomas, J. and Co.
Turner, Morrison and Co.
Toulmin, L. W. and Co.
Tamvaco and Co.
Tambaci, Paul and Co.
Ullmann, Hirschhorn and Co.
Valetta N, J. and Co.
Weinholt Brothers.
Wilson, H. F.
Windram, J. *Manager, National Bank of India.*
Whitney Brothers and Co.
Williamson Brothers and Co.
Wiseman, Mitchell, Reid and Co.
Yule, Andrew and Co.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

First.... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second.... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.

Third.....That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.

Fourth....That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth.....That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth ... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven Members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth.... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature ; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the Members of the Committee shall be forthwith filled up by selection by the Committee subject to approval at first ordinary general meeting thereafter.

☞ *It is specially requested that before a Member is returned to serve on the Committee his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.*

Ninth... That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.

Tenth... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.

Eleventh. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.

Twelfth. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Thirteenth. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting, at which such report and proceedings of the Committee shall be submitted for approval.

Fourteenth. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Fifteenth. That General Meetings of the Chamber shall be held at such times as the Com-

mittee may consider convenient for the despatch of business.

Sixteenth. That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.

Seventeenth. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.

Eighteenth. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.

Nineteenth. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.

Twentieth. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.

Twenty-first. That the Chamber reserves to itself the right of expelling any of its members;

such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third... That no change in the rules and regulations of the Chamber shall be made except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

Cones and Co., No. 19, Loll Bazar.

REPORT

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st May to 31st October 1876.

Calcutta:
PRINTED BY JONES & CO., NO. 19, LOLL BAZAR

1876.

133016

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Proceedings of the half-yearly General Meeting of the Bengal Chamber of Commerce held on Wednesday the 24th January 1877.

J. C. MURRAY, ESQ., *President, in the Chair.*

The Chairman opened the meeting by addressing those present as follows :—

The most striking feature in the Report now presented to you is, you will no doubt have observed, the fact that the Government has thought it necessary to read the Chamber a lesson on political economy and finance. I regret this the more as I believe the Chamber to have been right and the Government wrong, both in the premisses from which they start, and the conclusions drawn from such premisses. And, first, I may be allowed to remark on the strange contrast exhibited in the views as enunciated by the Home Government, and those put forward in the Financial Resolution of the Government of India. Lord George Hamilton, in introducing his Indian Budget into the House of Commons, following the lead of the *Economist*, defended his policy of doing nothing, by the argument that, though silver had certainly depreciated in Europe, it still retained its normal value in In-

dia ; and our requirements here, by attracting large quantities of it to the East, would restore the equilibrium, and it would, perhaps slowly, but still surely, regain the whole, or the larger portion, of its lost value. The wisdom of the Government was, therefore, to sit still, and allow the natural force of trade to accomplish what active measures in any direction would fail in doing. The Government of India, on the other hand, hold the opinion that, "if loans be no longer raised in England, the excess of the exports from, over the imports into, India will not more than suffice to meet the obligations arising from the Secretary of State's demands, and those of private remitters ; and there appears no reason to expect that India (as the Chamber of Commerce anticipate) will be flooded by depreciated silver." The Secretary of State says that, the higher value of silver in the East will attract it in sufficiently large quantities to turn the scale again in its favor ; if we cease to coin silver for the public, we deprive bullion of the value it now possesses, and all inducement to export it into India will be taken away ; we forcibly dam the natural flow eastwards, and, by throwing the current of silver back on itself, we precipitate it still further. The Government of India say, on the contrary, that there is no room for any import of silver into India, as the tribute she has to pay, both public and private, absorbs any balance of trade that

may be due to her. Now, no two statements can be more opposite.

The Financial Resolution then proceeds to argue against the suggestion proposed by the Chamber by putting forth an objection, so startling from its novelty, and so opposed to all the conclusions arrived at by the best financiers of the day, as to elicit our admiration for its boldness and eccentricity, while we are compelled to withhold our assent to its truth. In putting this discovery before you, I cannot improve on the words of the latest pamphlet on the subject :— "In point of fact, silver is just as valuable now as it was when, some years ago, it was quoted at 62*d.* the ounce. It lost nothing of its purchasing power when it fell to 47*d.* It has remained fixed, unchangeable; the only stable part of our system. Meanwhile, gold has been oscillating in the most unpleasant manner, and has in the end become excessively dear." The pamphlet in question goes on, in language severer than I should use, but still in words worth the remembering :—"The question as to which metal has, by a change in its value, caused a difference in their relative positions, must always be a matter of opinion. But we maintain that the opinion which is to decide, is not that of an individual ruler, however high his position, or however great his abilities. This is a subject on which every one

engaged in trade, or finance, must see a part of the evidence, though no one can grasp the whole. And where we find that every mercantile community, and every civilized Government, each judging independently in its own sphere from facts coming under its peculiar observation, has ascribed the alteration to occurrences affecting one metal only, it is scarcely open to the Indian Government alone to contend that, after all, the difference may be in the other. Now, we find that there is a general concensus of opinion in favor of the statement that it is silver which has fallen in price, not gold which has risen. We have the highest respect for the ability of the gentlemen connected with the Government here, who hold the opposite theory—and they have certainly studied the subject with great care—but they labor uuder the disadvantage of having to examine a mercantile question while residing outside the mercantile world. Simla is a charming retreat in the hot season ; but, hidden far in the recesses of the Himalayan mountains, it is not the best point from which to observe the movements of the markets. We cannot consider an opinion formed by a few economists in such a place as of equal weight with that of the whole world outside."

The theory of the appreciation of gold having been once started, arguments are sought in con-

firmation thereof. Tables, published by the *Economist* in the first instance for quite a different purpose, are put forward to prove that, while values in England, or the gold price, have been declining, values here, or the silver price, have been steady. I said, in the beginning of my speech, that I disagreed both with the premisses put forth, and the conclusion drawn from them. An examination, cursory though it must necessarily be, will show this at once. I am quite willing to admit that no surer test of the appreciation or depreciation of a currency is to be found than in a table of prices of articles; but the test requires to be most skilfully and delicately used. It must embrace all the principal articles; it must be carried through for a series of years; all the surrounding circumstances affecting each separate article must be weighed and considered, and due allowance made accordingly. None of these conditions has been fulfilled in these tables; they are only for a few years back, the enumeration of the articles chosen is much too circumscribed to render any theory built on them of any value at all. The one article of produce that has lately shown the greatest fluctuation is raw silk, the price of which, as we all know, is governed almost entirely by the out-turn of the Italian and Chinese crops. No notice is taken of this, or of the influence exercised. If the influence had worked the other way, the ba-

lance of proof might have gone to show the depreciation of gold, as well as of silver. Carrying my supposition to the article of cotton, had the American crop partially failed, so as to have raised the price in the same proportion, the weight of evidence of the two combined would have been enough to turn the scale; and we might as logically, therefore, conclude that the appreciation or depreciation of gold is dependent on blight in the mulberry tree in China, or the rainfall in Georgia and Carolina.

The Government allow that these tables were published in the *Economist* for a different purpose, and that they have only been taken to illustrate the position assumed; it does not say, however, for what purpose they were originally published. Had this been stated—as it should fairly have been—the argument, so far from making for an appreciation of gold, sets dead against it. The *Economist* published these tables in order to prove its theory that there are cycles of prices; times during which there is a steady rise up to a certain point, and then as certain and steady a decline—an ebb and flow as certain as the tides. It is immaterial to our purpose to enquire whether this theory be correct or not. It is a significant fact, however, that the starting point of these tables is the full flood period of the *Economist*, when, from the natural course of events, a fall

must, according to its theory, be inevitable; and this, too, without reference to the value of the precious metals. This fact has been so far overlooked in the Resolution as to be only noticed in a foot-note; and the reasoning, built upon the foundation of the simple fall in the gold price, without any mention of the facts connected therewith, robs the rest of the argument of all its vitality.

Since this Resolution was published, a strange change has come over the spirit of the dream; the whole scene is transformed; the ebb has ceased, and the cycle of flood has apparently set in. The gold value of most articles of both import into, and export from, India has steadily risen, while rupee prices in India have remained comparatively stationary. If the reasoning of the Government be true, it follows that there has been a sudden and unaccountable depreciation in the value of gold; but I doubt whether even the Government of India, bold though it has proved itself in propounding theories, is prepared to allow this sequitur. If it does not, it is placed on the other horn of the dilemma—*viz.*, that their newly discovered theory is delusive, untenable and to be at once abandoned. There is no escape from one or other of these deductions.

But the question naturally arises, why enter

into all this now, when the silver scare is over, and it has been proved to have been nothing but a scare after all? I am not so certain that the scare, if scare it was, is over; but, in any case, the question lies far deeper than this. The real point at issue is not whether silver has depreciated, or gold appreciated; that may have been the question at first, but it has now assumed rather different proportions: it is this:—is India, with its large, and daily increasing, commercial relations with the great nations of Europe, to retain a different currency to theirs; is she to keep to silver, which they have abandoned; and can she, in this case, hope to preserve her commerce, or to trade with them on anything like equal terms? You will remember—and a reference to the report will prove this—that this was the strong argument used by me on behalf of the Committee, when we brought forward our resolutions for your acceptance at the special general meeting last July. The third resolution was, in deference to the feeling apparent at the meeting, withdrawn; but I did not withdraw it without due consideration, and it was so withdrawn under the full conviction that the closing of our mints to open coinage was *the* safe and wise course to be pursued in the uncertainty that then was, and still is, hanging over our heads. The Government contend that it would be an unwise and impolitic measure to shut out silver from our mints, unless

we at the same time opened our doors to gold. With all due deference to the Government I think they have missed the point of the whole question. They say in fact:—"We should beware of premature action; we should wait to see what will happen; it may be that the market will recover itself after a time." "We should have supposed that this very uncertainty was the best reason for suspending the right of private coinage. If we grant that, when in doubt what to do, it is often best to do nothing, the proper inference seems to be that we should not coin rupees. To do so, is to take action in a line that may afterwards prove to have been altogether wrong. If, on the one hand, it should turn out that the depreciation of silver is only temporary, and if it should soon recover its old position, the French and Dutch would be able to boast that they had, by wisely closing their mints for a time, saved themselves from all inconvenience; while we would come out losers by many thousands of pounds, frittered away during the crisis under the heading of exchange. On the other hand, should silver fall still lower, we would find an additional embarrassment in every rupee coined. In whatever way we may hereafter have to deal with our currency, the difficulty of doing so will not be lessened by increasing its bulk. This is the view which was taken of the matter by the Finance Ministers of the Continent, who agreed in con-

sidering the suspension of the right of private coinage, under present circumstances, as a conservative measure. In introducing a Bill for that purpose into the French Senate, M. Say observed :—'If the relation between the value of silver and that of gold is destined to experience great changes, it will be our business to seek for permanent remedies: to-day, we only ask that you compromise nothing; that from the position of the *stutus quo* you pursue the study of facts.' This way of regarding the policy of suspending coinage seems to be fair and natural. It appears a far more statesman-like attitude than that of those who consider our uncertainty as to the future a reason for making sacrifices in the present; who declare that, while we are debating how, and at what cost, we can get rid of a depreciated and clumsy currency, we should continue to add to its already too large dimensions. The suspension of the right of private coinage in India was recommended only as a provisional measure, to be enforced during the period of transition and uncertainty in the bullion market. Indeed, one great recommendation of the plan of restricting the coinage is that it is an open, or, as the French minister of Finance calls it, an *expectant* policy, proper to a season of doubt and uncertainty. It occupies a central position, and forms a good point of departure, whatever the direction in which we may wish to move."

These extracts so clearly represent the position taken by the Chamber that I make no apology for introducing them. To my mind, they prove incontestably that the recommendation was right in principle, even when shorn of its attendant resolution for the adoption of gold, and that Government was unwise in rejecting it. We are not yet clear of our difficulties, and I would again press the point most earnestly on the attention of the Government. If the great countries in Europe forsake the double standard for gold alone, we shall have to follow suit; and the longer we continue our open coinage system the greater will be our future difficulty. Railways and steam, the Suez Canal and the telegraph, have brought India so close to Europe, and our relations with the leading commercial nations are so much more closely drawn together, that the use of the same standard has become every day more and more a matter of necessity. The change in our standard is a question that will, whether they like it or not, force itself on the attention of Government, and the sooner they prepare themselves, the easier will they find the task, when the time for action arrives.

I am sorry to have detained you so long over a single matter treated of in the Report; but the great importance of the subject must be my excuse.

The second subject in our Report is an answer from the Secretary of State to our representation as to the effect on our money market of the method in which *Council Bills on India* were put forward and withdrawn. This was a matter that originated with the former Committee, and was one which was freely spoken of at our meeting in July. The matter has clearly attracted notice, and I hope the dual competition may be avoided, and the amounts regulated more according to the necessities of our markets, to be increased as we require more money (as at present), and decreased as our export trade falls off.

The Customs Act is the next subject on the list. I have been through this, section by section, with Mr. Crawford, with whom I was associated as a Committee, and the joint report was sent in about a month ago. We were, on the whole, unanimous, exept on two sections. One of them relates to the oft disputed point as to the right of the Collector in the sale of goods, after he has taken them over under the power given in this and previous Acts. The other point was the responsibility of Government officers in regard to damage to goods in public warehouses. Our views on both these were so opposed that we decided to send in separate reports on them. The matter is now before the Government. Another section and its working in the Calcutta

Custom House was brought very prominently under our notice. The late action at the Calcutta Custom House has certainly been the fruitful source of much annoyance to merchants, inasmuch as they have been put to serious inconvenience and expense in the clearance of even tariffed goods. This was clearly never the intention of the Government in making the tariff; and; as one of the Committee, I should have been glad if I could have taken up the subject. Our labours had reference more to the working of the Act as a whole than as to its practical working in any one individual Custom House; and I felt myself bound, therefore, to put this point out of consideration. It is a matter, however, that is quite within our province to take up as a Chamber, though it was beyond my province as a member of this special committee; and we shall be quite prepared to go into the whole question, if members so wish.

The Customs duty on cotton yarn recommends itself, without further remark from me, to all those connected with the trade.

The Survey of the River and Marine Surveys are two subjects closely connected with each other as to interests. The correspondence on the former will be found of more than usual interest. It shows that the same work, under

proper supervision, can be more efficiently performed at less cost than under the present imperfect system. The question is one that tells so strongly on the well being of the port, that we hope the matter, which has been under consideration so long, may not be allowed to drag, but be carried through. To some it may appear strange that the Committe has written too strongly on the matter of Marine Surveys; but when it is remembered that the subject originated first with the Bengal Government; has been admitted on all sides to be one of urgent necessity; has been pressed on the notice of the Government for four years by the Chamber; and is now as far off completion (and even initiation) as ever; the wonder is, not that we have said so much, but that we have said so little. No other port in British dominions would have submitted to be placed in such a position.

The Merchant Seamen's Act passed at Simla, is the next question treated by the Committee during the half-year under review. It was passed, with an apology, at Simla, but many of the previous Committee's representations have been either overruled in Council, or put on one side. The present Act is only an instalment of the more comprehensive Act which we are promised at a later date. It relates principally to one special point, that of distressed seamen. I

am not for a moment going to dispute the point that this question of distressed seamen, or *loaferism* (for that is the real intent and object of this Act), is one that calls loudly for legislative interference on the part of the Government ; but I do say this, that *one* pilgrim ship, allowed to leave this port in an unseaworthy state, throws more responsibility for loss of life on the Government than all the loafer community in the whole year, supposing them to be all distressed seamen, in the strictest sense of the word. What however the shipping interest so much complain of in this Act, is, not that distressed seamen are forced on ships, but, that men who can in no sense be called distressed seamen are so forced on ships, which are bound to take them, without having the time or opportunity given them for remonstrance.

The question of *Jetty charges* is one that very nearly affects a large class of our merchants. That the Port Trust have well and faithfully performed their duties is a point that no one will more cordially assent to than myself, having once been a member of that body. But, while I bear testimony to their efficiency, I must take leave to dissent from the dictum they lay down, that "no reduction is practicable, until the income is sufficient to complete the works." Now, this I take to be radically wrong in principle ; revenue

should not be used to augment capital. As the Commissioners say the mercantile interests are fully represented at their Board, I would distinctly call the pointed attention of such of our members as may be on the Board to this essential difference. Increase to block, or completion of works, is without dispute a matter quite apart from current revenue. The former has to be borne by loan; the latter should bear only the cost of working expenses, interest on block, and sinking fund; and this clear distinction between the two I would wish to impress most strongly on those members of the Chamber who happen to be also on the Port Trust at the next revision of the rates.

The Hooghly Bridge, also under the control of the Commissioners, shows a large revenue, sufficient to meet all current charges, as well as interest and sinking fund, without the continuance of the objectionable terminal charge on coal. This is an item which enters intimately into all our local manufactures; and Lord Northbrook assured a deputation which waited on him that the impost would be taken off as soon as it was known that the bridge was self-supporting. The published accounts show that this is now the case; and the Committee felt themselves not only justified, but obliged, to ask for a fulfilment of this promise. Since the correspondence noted in the

Report, the Committee have had a further letter from the Government of Bengal, to the effect that they found it necessary to refer to the Bridge Commissioners again—on what special point, however, we have not been informed. The result of this reference is looked for by us with much interest.

The Railway between Calcutta and Nagpore, and the formation thereby of a direct line between Calcutta and Bombay through some of the richest districts of Hindostan, and its construction on the same gauge as the other main lines, is a matter that, at first sight, may appear small; but its vast importance grows on consideration. The traffic will be so great, and the benefit to the country so large, that it must be apparent that a line on a light gauge, where wagons will have to be discharged and reloaded at every break of gauge, will be comparatively useless. The line must be constructed on the uniform gauge laid down by Lord Dalhousie for all the main arteries of traffic.

Telegraph Rules and the difference of application to messages from England to India, as distinguished from messages from India to England, have again engaged the attention of the Committee. The prospect of an assimilation of the practice, though held out in October last, still

awaits fulfilment; and it is difficult to say, seeing how long it has taken to convince the Department of the present incongruity, how many months we may yet be from such fulfilment.

There are no further subjects in the Report that require any special notice from me. The question of the *New Commercial Treaty with France* has been fully dealt with by the Committee; and, though the subject, looked at from its own intrinsic worth, is of large importance, I have little to add to the representations of the Committee, which embrace, as I believe, all, or, at least, the most important, points necessary.

There is one more matter of some importance and interest which has not been included in the report. We wrote on the 19th instant to the Agent of the East India Railway Company, with reference to the block on the line, the following letter :—

"The Committee of the Chamber of Commerce desire me to represent that very severe inconvenience and losses have been experienced by merchants, in consequence of the check which railway traffic between Calcutta and the Upper Provinces has received during the last eight or ten weeks, and which continues at the present moment to interfere with the prompt receipt and despatch

of merchandise at up-country stations, and punctual delivery at its destination.

The Committee are aware that the block on the line has been caused by exceptional circumstances arising partially from the Imperial Assemblage at Delhi, but principally from the transport of grain towards the famine districts of the Bombay and Madras Presidencies; but the former impediment has been removed, and the latter has probably by this time been materially lessened.

The traffic, however, has not resumed its ordinary regularity, and the Committee are informed that the carrying power of the railway is unequal to the heavy service it has to perform; that the stock of wagons and trucks is insufficient to meet any suddenly increased requirements of trade; and that the locomotive department is unequal to the pressure of work thereby occasioned.

To the delays and irregularities thus created, and which are of very serious moment to the commercial public, there have been added considerable losses by damage of perishable merchandise carried in uncovered wagons, and unprotected from the rain which has fallen heavily all along the line between this and the North-West during the last week.

All these circumstances are, in the Committee's judgment, sufficient to justify the reference they desire to make, with the view to be informed what measures are being taken to admit of un-

interrupted traffic and the full and sufficient supply of rolling stock for its conveyance, as well as to make provision for any similar recurrence of exceptional demands upon the resources of the Railway Company."

The Agent replied to this letter last evening, and acknowledges that the stock is insufficient. I shall read the reply :—

"The Agent very much regrets such of the present conditions as have led to your representation. The accession to the Company's traffic has been exceedingly heavy and sudden, but would not, probably, have been beyond the powers of the Company's present stock of wagons, if it had not been for the long lead of the grain traffic over the lines in Western India and the Madras Presidency, the terms of the working agreements between the Companies obliging each to allow loaded wagons to run through to destination.

At the same time, the quantity of grain brought down to Howrah has been so unprecedentedly great that the resources of the labor contractors have been taxed to the very uttermost to provide coolies to unload and deliver consignments ; and there is no doubt there has been great delay in this respect.

The Agent is prepared to admit that the carrying power of the railway has not proved equal to the exceptional demands which have been, and

are still being, made upon it; and an indent is now before the Government of India for sanction to the construction of a thousand new covered wagons of an improved type, to provide against future emergencies of the kind, and for the increasing requirements of trade.

An indent for a proportionate number of additional engines is also in course of preparation.

The complaint that the Company has used uncovered wagons for conveyance of perishable merchandise is hardly consistent with the general object of your letter. These wagons have been used almost wholly for grain, and the Company was glad to utilize any vehicles which were available, even the Engineers' ballast trains, horse boxes, and carriage trucks having been pressed into the service. There would, probably, have been no complaints on this score, but for the unfortunate fall of rain a few days ago.

With regard to the protection of goods at Howrah, a proposition is also under consideration to more than double the present shed accommodation for goods brought down by rail; but this has not yet received the sanction of the Board of Directors, and it is difficult to form an opinion whether, at the present stage of the Company's contract with the Government of India, the Board will be prepared to allow the necessary expenditure.

With regard to the prospects of reducing the

traffic to its normal regularity, I am to remark that the famine traffic appears to have somewhat abated; but, from intelligence just to hand, there is a block of grain at Jubbulpore, and it has been found necessary to suspend temporarily the through booking of grain to Western India.

This will set free more wagons for despatch to Howrah, and a considerable increase in these may, therefore, be shortly expected; and the Agent will be glad if the Chamber of Commerce will call upon the merchants of Calcutta to assist the Company by being prepared to remove their consignments as quickly as delivery can be granted to them."

I now move the first resolution—*That the Committee's report for the yhalf-ear ended* 31*st October* 1876 *be adopted.*

The resolution was seconded by Mr. J. Horne, and carried.

The CHAIRMAN said :—The second resolution I have to move is a formal one. At the end of the Report, you will see that two new members have been elected by the Committee, subject to the confirmation of the Chamber, and since the publication of the Report two more have also been similarly elected. I have now to move ;—*That the Committee's conditional election of Messrs.*

Got. Bru and Co., Messrs. A. R. McIntosh and Co., Messrs. Carritt and Co., and Messrs. Howe, Goodwin and Cole, as members of the Chamber, be confirmed.

The resolution was seconded by Mr. J. Morison and carried.

The CHAIRMAN said:—There is one other matter to which your attention must be drawn, and that relates to the daughters of the late Mr. George. You will remember that the Chamber gave them some time ago a grant of Rs. 1,000. They have sent us a long list of papers, showing that the late Mr. George was not in a position to insure his life, and they begged that, instead of a grant of Rs. 1,000, we should make them a compassionate monthly allowance. The Committee have considered the application, and recommend to the Chamber the payment to them of Rs. 50 a month during the pleasure of the Chamber. I have, therefore, to propose:—*That the Committee's proposal to grant a monthly allowance of Rs. 50 to the daughters of the late Mr. James George, during the pleasure of the Chamber, be confirmed.*

The resolution was seconded by Mr. Nicol Fleming, and carried.

Mr. W. H. Cheetham then proposed *that the*

thanks of the Meeting be given to the Chairman and Committee for their labours during the half-year.

The resolution was seconded by Mr. W. J. Ker, and carried.

The meeting then came to a close.

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year ended 31st October 1876.

THE Committee submit their Report on the principal questions which have come under consideration during the past half-year.

DEPRECIATION OF SILVER.

Annexed to the proceedings of the Special General Meeting on the 15th July—which are reproduced here for the sake of ready reference—is the Government Resolution in reply to the action taken by the Chamber. Whether we agree or not with the reasoning adopted in this Resolution and the conclusion to which it has led the Government, the thanks of the mercantile community are due to them for the full exposition of their views and the careful attention they have given to the whole subject. The recent rise in the value at home of most articles of export and comparatively moderate imports have caused a larger balance of trade to be payable to all eastern countries, and this, with a less supply of silver immediately available, has raised the value of the

metal and, with it, of the Secretary of State's drafts. In a short time our brisk season of exports will be over, and it is by no means unlikely that if these drafts continue to be issued on the same scale as now, we may see a reaction and a recurrence, though perhaps in a milder form, of the evils resulting from the dual competition between these drafts and silver.

The correspondence on this subject with other Chambers is annexed.

From Chamber of Commerce to Govt. of India.

Calcutta, 22nd July 1876.

There was a Special General Meeting of the Members of the Chamber held on Saturday last to consider what steps should be taken in the present state of the foreign exchanges and of the depreciated value of our currency in this country. I have already forwarded to you a copy of the two resolutions that met with almost general approval, and you will no doubt have seen the report of the discussion that took place, and the arguments that were adduced in support of the resolutions; the Committee need not therefore go over the same ground again, but will confine themselves to calling your attention to the following additional remarks relating thereto.

As regards the first resolution; the Committee, on a former occasion, (4th April 1876) addressed the Government urging the appointment of a local Commission to enquire into the question of the depreciation. This request was refused by the Government, as there did not, to their mind, exist any special or peculiar facilities in

India for the investigation, and as a select Committee of the House of Commons had been appointed in England for this purpose, there did not seem any present necessity for such a local Commission. Since then, not only has silver still further depreciated, but the loss by exchange to the country on the Secretary of State's drafts has become so serious, as must, the Committee feel assured, have caused grave anxiety to the Government. Provision was made to meet the loss, at Exchange of 1*s.* 8½*d.* by throwing on to a sterling loan of 2½ millions, the cost of public works to be undertaken during the year. The Secretary of State has borrowed 4 millions; but whether this additional sum is to repay the amount he had to disburse during the time that his drafts were suspended, or to provide for the further heavy loss not contemplated in the Budget, the Committee have no means of ascertaining. Though the last drawings have gone at a higher rate than previously, it is by no means certain that the advantge will be maintained in subsequent drawings. In fact, from reliable information received by the mail, yesterday, we learn that the yield of silver from the Nevada mines is likely to be largely increased, and that, notwithstanding the demand from the American Government, a considerable amount will be shortly placed on the London market for sale. Under these circumstances it seems probable we shall see the rate decline again. The Government are, independently of this, still threatened with a heavy loss, against which no provision has been made and which they can only cover by increased taxation. The Committee fully recognize the difficult position of the Government all this time, and they have been unwilling to press the matter till now; knowing that the Report of the House of Commons' Committee would be soon

published, and the Government would then probably have some more reliable data on which to frame their course of action. The result of this Report has already been telegraphed to India, and by next mail we may expect to receive the full Report. The Indian Budget will also be immediately introduced into the House, and the Government of India will be soon, if they are not already, in possession of the Secretary of State's views as to the proper course to be pursued in this crisis. The Committee of the Chamber venture, therefore, to express a hope that His Excellency the Viceroy will, in the interests of Commerce and of the country generally, accede to the prayer of the first resolution, and make public the intentions of the Government. The uncertainty that has hitherto shrouded the action of Government has been attended with serious consequences to merchants and bankers, and will so continue to attend their transactions as long as they are kept in ignorance of the course of action the Government propose to take. This is not, the Committee feel assured, a condition of things the Government have any wish to perpetuate, and they, therefore, with the more confidence, ask the favorable consideration of the Government to the request contained in the resolution.

The second resolution relates to the suspension of the clauses of the 2 Acts of the Government of India making it obligatory on the Mints and Currency Department, the one to receive and coin for the public all the silver tendered to them, and the other to issue currency notes for all silver bullion brought to it. There is a further clause to this resolution, declaring it illegal to import coined rupees into India from any foreign port during the time of such suspension. The object of this resolution is not

to prohibit coinage altogether, for that would be likely to bring about a collapse of credit; but to place all coinage in the hands of the Government to be exercised at their discretion. This is the course adopted by all the States of Europe in self-protection, and it appears to the Committee not only a wise and reasonable, but a necessary, precaution for the Government of India to take for the preservation of their own currency and to support the credit of their own loans, as well as to prevent the country from being swamped by silver sent in by foreign nations. To this latter danger we are in India as liable as they are in France, Belgium, or Holland, and the Committee know for a fact that enquiries have been made as to the mint out-turn of bar silver to be sent here from California. Some of the Exchange Banks have also been offered large sums, considerably below the market rate, so as to tempt them to buy it in preference to taking the Secretary of State's drafts. This competition between the Council drafts and silver has resulted in heavy loss to the State on the one hand, while it has, on the other, enabled the holders of silver to obtain at our expense, and in consequence of our Coinage and Currency Acts, a higher price for it than they would otherwise have got. India and China, by the action of the European States, are now the sole markets for silver, and it appears to the Committee a suicidal measure for the Secretary of State to place the rupees he has to sell in competition with the bar silver of other nations, when and as long as they have the power to pour this silver, by act of our own legislature, into our own mints and claim coined rupees in lieu thereof. This resolution, therefore, while it gives the Government full power to accept bullion in order to main-

tain the circulating currency at its full efficiency, or to import its own silver for the same purpose, will prevent outsiders from *demanding* the receipt of their bullion and its conversion into coin by our own act, which we have at present no power to prevent their availing themselves of. Except that the action recommended by the resolution has been misunderstood, the Committee cannot see any valid reason against its immediate adoption by the Government. The objections brought against it—which the Committee will not weary the Government by repeating—appear to have been based either on a misconception of its real scope, or on abstract ideas, whereas the position of affairs is altogether exceptional, and ordinary rules do not apply. But further, the Committee do not recommend any more stringent steps (in fact scarcely so stringent) than the first financiers in Europe have found it necessary to adopt.

The Committee are aware that bar silver has lately risen in value, but they do not look upon this as permanent ; they regard it rather as one of those violent fluctuations that have lately been so common ; the price within only a few days fell from 49 to 46 pence per oz., and has now risen to 49⅛d., and this without there having been any transactions of moment in the article. These fluctuations cause a corresponding rise or fall in our exchanges, rendering it impossible for merchants and bankers to regulate their transactions, and thus disorganizing trade. The moment our Mints here are closed, these violent alternations in price would cease and exchanges would become steady. The fact that the Government of India can by their own laws be compelled to put their mint stamp to all silver sent here, has given an

artificial and fictitious value to silver, which would cease as soon as the law is suspended. Bar silver would then gradually fall to its own intrinsic value, and the extent to which it is depreciated would be soon gauged, whereas now it is impossible to say how much its value is appreciated by our present "open coinage" system.

When all Europe is closing its doors against the import of silver, with the avowed object of having as little of the metal as possible, should the depreciation be found permanent, it seems most impolitic to keep ours wide open for the reception of an unlimited quantity, costing the country through our coinage laws far more than its real intrinsic value. The only objection to the closing of the Mints to indiscriminate coinage, outside abstract principles (ignored by other States), is the danger of smuggling from abroad and false coinage in the country itself. The first can be stopped by a more vigilant Customs Service. There will be what is popularly called "pocket smuggling," but it cannot be to any large amount and may be practically disregarded. The Exchange Banks, who are, under ordinary circumstances, the largest importers, will not lend themselves to any act involving a breach of the law. The second objection as to native coinage is one that may be dismissed with very little remark. The appliances at the command of natives are too poor and clumsy to make any forgery of this sort capable of being long practised without detection.

There was a third proposition put before the meeting recommending the adoption of a Gold Standard, which, in deference to the feeling apparent among members present, was temporarily withdrawn. The Committee will not

therefore intrude their own views on the Government, but will simply refer them to the debate thereon.

Proceedings of a Special General Meeting of the Bengal Chamber of Commerce held on the 15th July 1876.

J. C. MURRAY, ESQ., President, *in the Chair.*

The PRESIDENT, in opening the meeting, said: Gentlemen,—We have asked you to meet us here to-day to consider if any, and what, further steps should be taken with reference to our circular regarding the introduction of gold and the change of standard. But before I enter on the subject, allow me, both for myself and on behalf of the Committee, to thank members for the readiness, and, in some cases, the fulness of their replies. These thanks are none the less sincere that the replies are in the majority opposed to the propositions put before you by us.

It is not necessary for me to enter at length into these replies; they have been inspected by most of those here present. One objection—and I am free to confess a well-founded objection—has been brought against our circular, namely, that it is not full enough, does not enter sufficiently into the question; and any representation to Government, to have weight, must be supported by stronger arguments than are used in this circular. It must be remembered, however, that the circular was addressed to those who have, at least, a practical knowledge of the probable effects of any measures that might be put before them. Any lengthened argument in support of our views might have had the appearance of an endeavour to pro-

cure converts, whereas our sole object was to elicit opinions, even—as has proved to be the case—if they were adverse to our own views. It is only by such free and open expression of ideas that the real truth can be arrived at. Whilst I thus give our reasons for having avoided discussion in our circular, I fear we have carried the feeling too far, and have sacrificed clearness to brevity. For instance, the words "without loss to Government," are characterized as erroneous, for the process of introduction will, it is said, be both tedious and costly. Now, though I have heard it urged that the conversion from silver to gold *can* be managed without any loss, I do not believe that it can be otherwise than that Government must, if they adopt this course, be prepared to face some outlay. But in writing this circular, we were looking at the question *as a whole*, and we considered the ultimate gain and benefit to Government would recoup them for this first, initial loss. Our meaning would have been better expressed had we said "without any *eventual* loss" to the Government or the country. In another point, too, the introduction of a single word would have made our meaning clearer. If gold is to be introduced, it follows of necessity that the mints must be closed for coinage of silver. Germany, and Holland also, have had to do this; it has been ruled at home (as evidenced by the correspondence a few years ago between Colonel Tomline and Mr. Lowe, then Chancellor of the Exchequer) that the mint is not bound to coin silver for individuals; the States composing the Latin convention, who still nominally adhere to the silver standard alone, or use the double standard of silver and gold combined, have been forced to limit their coinage of silver by legislative enactments within such narrow limits as will only just

provide for ordinary absorption. The reason for this closing of mints against indiscriminate coinage of silver is to protect themselves from disappearance of gold by export, and an inundation of the cheaper metal to take its place. It is no reverting (as one of the answers we have received says) to the practice of the dark middle ages, but is a necessary precaution that the wisest financiers of the present day have been forced to adopt in self-preservation. In India we are as much exposed to the danger, as they are in France, of having spurious coin imported to us from abroad. By "spurious" I do not mean *bad* rupees, but rupees of full weight and fineness, which would be poured in among us from abroad, where they would be coined, and whence they would be sent to this country. There would be an additional strain on the Government, who would have to call in all this extra coin, if they elect to adopt the gold standard, and pay for them the same price as for their own genuine rupees. Even if the gold standard be not adopted, the same "temporary" measures would have to be adopted as preliminaries to any final steps that might be decided upon. The addition of these two words "eventual" and "temporary" will make the meaning of the circular more clear than it is apparently now, and it is a matter of regret to me that any verbal inaccuracy on my part should have made obscure what was clearly present to our own minds.

One or two of the answers we have received are either opposed to any change, or decline to co-operate, but assign no reasons; others deprecate hasty action and counsel delay; it is premature, they say, to open the subject now, till we have had fuller information to go upon, until, at least, we have the report of the House of Commons'

Committee lately sitting; when we have fuller information, then act. Our Government are quite able to protect themselves, and we should only view this as merchants and traders. Most of these are so linked in together, and are built upon the same foundation to so great an extent, that it is difficult to separate them. It is true that the Government are quite able to protect themselves, but it does not appear that they have any fuller or further information than merchants and bankers possess: indeed, it may well be doubted if they have as much. And it appears to the Committee the exercise of the highest function of the Chamber to place their practical knowledge and fuller information at the disposal of the Government, to enable them to shape their course safely, whereas now they appear to be groping their way in the dark. A vast question embracing, as it does, points of great importance, not only to our political, but to our commercial, prosperity as well, will need careful and long deliberation, before it can be so fashioned into shape as to be fit to be presented to Government as the result of our combined action. It is for this reason, and at a time when there is a lull, as it were, in the supply of silver from California, that the Committee have chosen the present as a fitting time for the consideration of the subject; and with the same object in view, they have invited an interchange of opinions with the sister Chambers of Bombay and Madras. Before our deliberations are more than just begun, we shall have the result of the House of Commons Committee, and further information collected on the spot by the representation of the French Government, who has been deputed to the California mines for the purpose. It seems to us to be the most fitting time to initiate and organize an enquiry of this kind, and it was with this object, namely, that of

collecting and collating views, however divergent, that the circular in question was issued to members. Their views, as shown by the replies, do not accord with those of the Committee, and they are quite as much at variance with each other.

Since this circular was issued, we have had telegraphed to us the heads of the finding of the House of Commons' Committee, and some of the daily papers have published the text of the first report of the French representative to the mines. The one gives, among other reasons for the depreciation of silver, the enormous yield of the new California mines; the other seems to run this down as only a party cry, and attributes the depreciation entirely to the influx of German silver at a time when the Eastern trade is at its lowest ebb. There is as much divergence in these views as in those presented to us in the answers we have received. The French representative has, however, hazarded a statement as a certain deduction from his views, which subsequent facts have proved to be wrong. Writing on the 12th May, when silver was 53⅛ per ounce, he gives it as his decided opinion that it cannot go any lower. It has gone lower, and the last quotation is as low as 48 per ounce, or a decline of 10 per cent., under what he considered the bottom of the fall. I only allude to this to show how difficult is the subject, and how careful we should be in forming a conclusion as to the real extent of possible decline, or the real increase in the yield of silver. One point, however, must be clearly kept before us in all our considerations on the subject, and that is, that as the silver yield increases so does the yield of gold. My own advices some months ago placed the outturn as 60 of silver and 40 of gold; Colonel Berton places the same

figures, or nearly so, namely, 57 and 43. We arrive therefore, at one fact, that as silver increases, gold, in like manner, does not lag behind. Knowing this, previously, was certainly an additional inducement to me to press the adoption of gold as a legal standard on the attention of members.

But independently of all this, and looking at the question on its own merits entirely, I do not see what other result there can be than widespread distress and ruin by adhering to our present policy. It has been allowed by all authorities on the subject, that the depreciation of a nation's currency is a grievous evil; and one of the latest writers on the subject says, there is nothing short of conquest or slavery that is so fatal. Without going so far, it must, I think, be admitted that any depreciation of moment or of long duration must be detrimental to the advance of any nation; foreign capital will not flow into her; her native industries will languish; her loans, if she happens to be, as India, one of the internationally indebted nations, will fall in general estimation, so that she must perforce relinquish all works of improvement that require the employment of borrowed capital; prices of all articles, even those of the necessaries of life, will rise, while her power of purchasing in foreign markets what she cannot herself produce will fall even more rapidly, till at last she sinks down into abject pauperism unless active and energetic measures are taken to arrest the downward course of depreciation before it be too late. In India we have especially to bear in mind two facts; first, that while we are large exporters of the raw material, we manufacture very little for our own use, and have to import much of what we require; secondly, that the

Government, with its almost inelastic revenue and its resources already taxed to the utmost, can only meet the cost of works of improvement by borrowing. How long and how much will they be able to borrow, with their credit diminished by depreciation, is a question that I hope it may be long before they require to put to a practical issue.

Cheap silver and cheap money, it is argued, is a positive gain to the country; the masses will have larger means, and anything that increases the wealth of the people must of necessity be an advantage. I confess I do not agree with this argument at all, if the increased wealth is measured by a depreciated currency. I fail to see how, with the purchasing power of the rupee reduced one-half, a man will be richer in the possession of two rupees, where he had only one before the depreciation. Nor will the stimulating of exports prove of ultimate advantage either to the producer or to the exporter. They will both at the outset, no doubt, make profits, but you cannot stimulate exports beyond the power of the consuming country to take off, without lowering prices there, and the rise of prices here will soon check such exports again, for, if continued, the exporter will find himself face to face with a heavy loss on his shipments. In other words, large exports will inevitably bring about a fall in, what I may call, the gold price, while this very stimulation of exports, coupled with the diminished purchasing power of the currency, will cause a corresponding rise in the cost or rupee price. Our exports must therefore decrease or stop, till the two prices more nearly approach an equilibrium. I have touched briefly on the effect of our depreciated currency on our export trade, in order to

remove the erroneous impression that has found utterance in some quarters, namely, that the circular from the Committee, and the proposals therein made, were worded in the interests of imports only, without regard to the effect they might have on our exports. No such motive actuated our conduct; we issued our circular and put forward our views in what we considered the best interests of merchants in general, as well as of the Government and the country at large.

It is doubted by some, and Colonel Berton's first report lends color to the doubt, whether the production of the Californian mines has not been grossly exaggerated; that we are troubling ourselves unnecessarily about a matter of only temporary duration, which, be the time long or short, will come to an end. It is a significant fact, however, that since our circular was issued, and with Colonel Berton's first report before them, the French Legislature has stopped the coinage of their 5-franc-pieces, their sole legal silver tender. And it is believed by the mint authorities at home that other European States are likely to follow suit. This, I say, is significant; the States of Europe, who still have silver, are taking early and prompt measures to guard themselves from the dangers of an influx of this cheaper and more abundant metal, while our Government, whom it most nearly concerns, makes no sign. I do not say they are insensible to the evil, but they have evidently no sure or certain chart by which to steer their course, and, as I have said before, I think the first and highest duty of the Chamber is to place their views on so important a subject at the disposal of Government for their information.

Such, gentlemen, are my remarks as to the reason of our issuing the circular, on the replies we have received, and on the general question. I shall now move the first resolution, which is—

"That the continued depreciation in the value of silver is a question most seriously affecting the political and financial interests of the country, and that, in view of its very great importance, the Committee be requested to address the Government, in order to obtain such information as they may be able to give in regard to the policy which they propose to pursue under the circumstances."

This resolution, you will observe, is drawn in very general terms, so as to admit of all joining in its acceptance, no matter how different their views may be on the rest of our circular. Any remarks you may wish to make at this stage, I will ask you as a favor to confine to the resolution itself, leaving discussion on the whole question for the time when our further resolutions are brought forward. I am anxious to secure some practical result from our meeting to-day. If we can only get this present uncertainty put an end to, it will be a great gain to all branches of our trade, and I earnestly hope, therefore, you will give this resolution your unanimous support.

Mr. CRAIK, in seconding the resolution, said that he trusted it would be passed by the unanimous vote of the Chamber. From the remarks which had fallen from the Chairman, it was evident, he said, that much difference of opinion prevailed in regard to the steps which it was desirable for the Government to take in the present crisis,

and he could also understand that the personal interests of some were, for the moment, so favorably influenced by the depreciation in the currency, that they hailed with satisfaction the apparently inactive policy of the Government; but he contended that to all alike the extreme uncertainty as to the future, which prevailed, and the consequent violent fluctuations in the exchanges from week to week, must be a source of unmitigated evil, and as he understood this resolution, it did not bind the Chamber to any opinion in regard to the policy which ought to be pursued, but merely gives expression to the interest taken in this question by the commercial community, and urges the Government to remove as much of the uncertainty which surrounds the subject as it is in their power to do. As illustrating the manner in which the crisis had been aggravated by the reticence of the Government, he referred to the Council bills offered for sale in the London market. He pointed out that, from fortnight to fortnight, much anxiety was felt as to the course which the Secretary of State would pursue in regard to these bills, and to show that there was good ground for the anxiety, he referred to the undecided policy which had been pursued by the Government in at one time refusing all the tenders made for these bills, at another time accepting some tenders and declining others, while again, on other occasions, the whole of the amount had been allotted at the best rates offering. He considered that it was the bounden duty of the Government to have taken the public into their confidence in this matter, and to have given them some indication as to the course they proposed to adopt with these Council bills. Had this been done, there could be no doubt, he thought, that a great deal of

the uncertainty which existed would have been prevented, and it would have been possible to have entered into transactions on something like a firm basis. Should there be any who thought that the Chamber was asking too much from the Government, he would ask them to consider what would have been the state of matters had a similar crisis affecting the whole population of Great Britain occurred. They all knew that under such circumstances the Government would have been flooded with questions in both Houses of Parliament, a whole library of papers and blue books would have been placed at the disposal of all enquirers, and he was very much mistaken if the force of public opinion would not have elicited from the Chancellor of Exchequer of the day an indication of the policy which commended itself to the Government. In this country, unfortunately, they had no House of Commons, and, as some assert, no public opinion either; but even if that were so, he did not consider that he should be placed on less advantageous terms than our more favoured fellow subjects. He therefore trusted that they would go up to Government as a united Chamber, and if they did so, he was confident that they would obtain such information as would enable them to come to some conclusion in regard to the probable course of exchange in the future.

MR. SIMPSON said: Mr. President,—The resolution before you has been so ably proposed and seconded, that there is very little, if anything, left for me to say. I must, however, remark that we are all very much indebted to the Committee for the action they have taken in this matter. The state of uncertainty of which we complain may have been of advantage to some persons, but

to the general community the loss has been an exceedingly serious one—far more even than has been estimated. Referring to the fortnightly allotment of Council bills, the subject of which has been so ably touched upon by Mr. Craik, I would just draw your attention to what I cannot help calling the extraordinary conduct of the Secretary of State, who, so far back as February last in the height of our active season, refused tenders at 1-9, reduced his drawings, and thereby caused extreme pressure in our money market. After our busy season is over, these drawings are increased to £700,000, fortnightly, and we find him now accepting the ruinous rate to the country of 1-6½. There can, I think, be no doubt that the action of the Secretary of State has greatly aggravated the present condition of matters, and the result has been a serious loss to India. Indian loans are quite in disfavor now. There is no market for Indian securities in London, and in Calcutta the evil has been averted simply by large purchases made, it is said, on behalf of Government. The effect of all this uncertainty will be to drive English capitalists away from this country, for we cannot be certain whether a rupee will be worth 1s. 6d. or 1s. 4d., and therefore, I think, we should give our hearty support to the Committee in their efforts to have this question settled. I know that considerable difference of opinion exists as to how this should be done, but in speaking of the condition of affairs as they are now, I must say that had the Secretary of State exercised more discretion in placing Council bills in the market, I do not think the state of things would have been as bad as they are at present. The Committee should therefore, in their communication to Government, refer most particularly to the past action of the Secretary of State. My own opinion

is that the subject of placing our currency on a more certain basis of value is one so great and vast, that nothing short of a Commission being appointed to investigate matters will be able to deal with it effectually, and the Commission should be one not only to enquire into the causes of the heavy fall in exchange, but also to enquire into the finances of India, and the financial position of India. I think, too, that a rigid system of economy should be introduced in the Home charges, but I am afraid if this matter is referred merely to the Secretary of State, it will yield no fruitful results. What we want is an independent expression of opinion, and that can only be obtained by the appointment of a Commission. I trust, therefore, the whole Chamber will unite with the Committee in pressing these points on the attention of Government.

The resolution was put to the meeting, and carried unanimously.

The PRESIDENT then said: The second resolution I have to put before you relates to the temporary suspension of coinage of silver for the public, and, as a consequent measure, the prohibition of the import of coined rupees from foreign ports.

By Act XXIII. of 1870, the Indian mints are bound to receive all the silver tendered to them for coinage, and by a subsequent Act III. of 1871, the Currency Department is bound to issue notes, immediately convertible into coin, for all silver bullion tendered to it.

One of the answers to our circular, agreeing with our

suggestion, puts the real reason in a few words. It seems hard and inconsistent that while silver is cheaper and falling everywhere, the Government should be obliged to receive and coin it just as before. This hits the very heart of the matter. India, by keeping to a silver standard, elects to receive all balances of trade that may be due to her in a currency which the leading nations of the world are abandoning, and by receiving the bullion and issuing it again with the mint stamp on it as rupees, she is deliberately lessening the value of her own investments; for such is the real result to the country of such payments of balance of trade. It follows of necessity that the larger the balance of trade to be paid to her, the more will the value of silver in the paying country be enhanced, and India, by her own conditions of trade, will raise the price of the metal she has to receive—a metal too, it must be remembered, that she cannot use in her exchanges with other nations. The more prosperous her trade and the larger balance to be paid to her, the larger will be this inconvertible investment forced on her, whether she wants it or not. If other nations do consent to take her silver, it will be at their own, and not at *her*, valuation; in her external relations, it will be the world's estimate of her own elected standard, and not her own, on which she must stand or fall. If she is to deal for the future on equal terms with the other large commercial countries of the world, she can no longer, in safety to herself, consent to continue to receive payment of debts due to her in a commodity which she is unable to use with other countries who may happen to be her creditors.

There is another danger. A continued settlement of this balance of trade means, as I have said, a continued

investment on behalf of the country in silver, and, consequently, a continued support given to it in the markets of other countries. Any over-supply of the metal she has taken as her standard will jeopardise her position. However much these increased supplies may have been exaggerated, the very fact of demonetization of silver in all the great commercial countries of the world is pregnant with danger to her, as long as she allows all nations to pour in their silver to her mints, and makes it obligatory on herself to issue coin, or notes convertible into coin, in lieu thereof. The danger that is threatening us is that we may be made the receptacle of all the useless stocks of the world's old silver, as well as the greater portion, if not the whole, of new, daily-increasing, fresh additions from the mines. Such are the reasons which prompted our "temporary expedients," as put forward in our circular, and which I now propose for your acceptance.

Before I put the resolution to the vote, I must ask your indulgence while I glance for a moment at two objections, which have been brought forward, and which appear to me to be worthy of consideration.

The first objection is, that it will cause an artificial contraction of the currency, make money abnormally dear, and bring on a panic through the length and breadth of the land. This might possibly be the case if we advocated the closing of the mints altogether. But we do nothing of the sort; we simply urge the absolute necessity of closing them for a time for indiscriminate coinage. The internal silver currency of the country will need constant replenishment, and it will be still open to the Government to coin their own or foreign silver tendered to them.

for this purpose. It it one thing to coin silver when required, and quite another thing to have it forced on us, whether we like it or not. It is one thing to leave the Government free to coin, and quite another thing to make it obligatory on them to place their mint stamp of currency for an outsider on depreciated metal, and then to compel their own subjects to receive this depreciated metal at a higher intrinsic value than it possesses, beyond their own territory, to the outsider himself.

The second objection is, that a stoppage of coinage will lead to distrust, and cause a rush for encashment of currency notes. I think more is made of this objection than it really deserves. To quote from the answer to which I have already referred, I should say this danger is not imminent, nor is it one that cannot be guarded against. It is not imminent, for the use of currency notes in large commercial transactions, and as a means of remittance into the interior, has grown into, and become part and parcel of, our internal commercial relations to so great an extent as to render it very difficult of eradication. The natives may be very conservative, and they are naturally distrustful of any change which they are unable to understand in all its bearings: but they are at the same time eminently practical, and are not likely to give up a means of economical utility for a mere idea. That there may be, at first, some rush for encashment of notes, I am quite prepared to admit, but as the letter to the Committee I have referred to, says, it is not so great a danger as cannot be guarded against; nor is it one that should, I think, be allowed to weigh in the balance with the larger dangers we wish to be protected from. But we have positive proof of the groundlessness of this fear.

The Commission appointed in this country in 1866 to enquire into the working of the Currency Act, after careful inquiry from district officers and natives themselves, give it, as one of the points firmly and generally established, that the introduction of gold would facilitate the establishment of the currency notes.

I therefore move "that the Chamber approves of the suggestion of the Committee that it is expedient, in view of any ultimate measures that the Government may adopt, that Clause 19 of Act XXIII. of 1870, making it obligatory on the mints in India to receive all silver tendered for coinage; and also that Section B. of Clause 11 of Act III. of 1871, making it obligatory on the Currency Department to issue notes against silver bullion sent in, be temporarily suspended at the discretion of Government. And that during such suspension, or till further notice, it be not lawful to import coined rupees from any foreign port."

Mr. WINDRAM said that he had great pleasure in seconding the resolution; but before speaking to the subject of it, he desired to express his opinion regarding the proposal for a gold currency referred to by the President. He was of opinion that under existing circumstances such a measure was impracticable, if not impossible. It should be remembered that India had contracted a rupee or silver debt of upwards of 100 millions, and that all her revenue was payable in that coin. She already had to provide about 15 millions in gold every year to pay interest on sterling loans and railway capital, and the other Home charges connected with her administration. None but the richest countries, such as England and

France, could afford to maintain a gold currency, and at the present moment England was the only one paying in that coin. The attempt on the part of Germany to introduce a gold currency was yet far from being accomplished, and there were many who still believed that she might be obliged to retrace her steps. It would be well, therefore, for India to pause before attempting such an undertaking. He was of opinion that our silver currency was well suited to the internal requirements of this country; but whatever the ultimate result might be, there could be little difference of opinion as to the advisability of adopting the protective measures referred to in the resolution, while the present disturbance in the silver market continued. It seemed to him that it was great folly on the part of this country continuing to receive all bar silver tendered for coinage at a charge of about 2 per cent., while every other country had either declined to receive the metal, or had restricted its coinage within certain limits. Now, what had been the action of the Indian Government? They had actually allowed their Council drafts, which represented coined rupees in the treasuries in India, to be placed on the same footing as bar silver, and the result had been a dual competition between Council drafts and bar silver, causing the most violent fluctuations in exchange, which were calculated to do most serious injury, and could not eventually be beneficial to either importers or exporters. The greatest amount of gambling in exchange had been going on, and we had seen merchants scrambling to buy their exchange for six months in advance. That was a state of affairs loudly calling for a remedy to place, if possible, exchanges on a more settled basis. But not only had we placed bar silver on the same footing as Council drafts, we had also placed

it alongside of our rupee securities in London, of which there were held there about 15 millions sterling, and the result had been a disastrous decline of about 30 per cent. in their value, representing a loss of principal of close on 5 millions, ruining the credit of the Indian Government in London, and causing most serious loss and suffering to the holders of their rupee securities. Had they adopted the remedy which the resolution proposes, a great portion of this loss and disaster might have been avoided. The truth was, we had been for a long time at the mercy of the Germans and their demonetized silver. They had been most reticent regarding it, and had declined to inform us how much they would have to dispose of, or how and when they proposed doing so. Some people said—stop the Council drafts; but why should we do that, in order to allow Germans and Americans to get a higher price for their silver? Others advocated a large loan in London, with the object of buying up the German silver. He would answer, why increase India's sterling liabilities to relieve Germany of her stock of demonetized silver. We should do nothing of the kind, and if the remedy, which this resolution proposed, were adopted, we should at once see that the disastrous competition, which had been going on between Council drafts and bar silver, would cease, and if India wanted and required the German or American silver, she would get it at *her* price, not *theirs*. We did not ask for the stoppage of the coinage, but simply that the Government, as in England, will take the coinage into their own hands, and cease coining for the public. If this were done, we would soon see a very different state of affairs: the sterling value of the rupee would improve, and our exchanges would not be subject to the violent fluctuations which we had recently

experienced. With these remarks he cordially seconded the resolution proposed.

Mr. E. C. VAN CUTSEM said: Mr. President and Gentlemen,—I have listened with much interest to the arguments which have been advanced by Mr. Murray and Mr. Windram in favor of the resolution that Government should be respectfully recommended to stop the coinage of rupees on private account, and to prohibit the import of coined rupees into the country. I agree with every word which has fallen from Mr. Windram as to the inadvisability of any attempt to introduce a gold currency into India; but I cannot coincide in his views regarding the expediency of stopping the coinage of silver on private account, or in any way interfering with the free trade in bullion. I strongly deprecate any such measure, and think it would be productive of very mischievous consequences.

As a first step in the examination of this question, it may be useful to consider what constitutes the standard money of a country—the only money employed in its exchanges with foreign States; for I think that much of the confusion so often observable in the discussion of such questions arises from a neglect, or misapprehension, of the first principles of Political Economy.

In the *Statesman* of this morning, for instance, I find the following extraordinary passage in an article on the currency:—

"Silver is now plainly falling, and dragging our currency down with it. Well, break all connection between

the two; so that European silver becomes one thing, and the Indian rupee another."

Now, it would surely have been impossible for any one to write in this way, if he had remembered that the rupee is the standard money of India, and considered what constitutes standard money. It is, I believe, a principle laid down by all authorities on currency, from Adam Smith down to Mill and Jevons, that standard money must be of the same, or very nearly the same, intrinsic value as the metal from which it is coined.

Professor Jevons, in his useful little work on money, writes as follows :—

"We must distinguish between coins according as they serve for standard money, or for token money. A standard coin is one of which the value in exchange depends solely upon the value of the material contained in it. The stamp serves as a mere indication and guarantee of the quantity of fine metal. We may treat such coins as bullion, and melt them, or export them to countries where they are not legally current; yet, the value of the metal, being independent of legislation, will everywhere be recognised.

"In the case of the English sovereign, for instance, it is intended that the coin shall be rendered identical in value with an equal quantity of gold bullion; so that it shall, in short, be so much certified bullion, and shall be reconvertible into ingots, without loss."

The same writer remarks :—

"In all large international transactions, coining by

weight is, indeed, the sole method. The regulations of a State concerning its legal tender have no validity beyond its own frontiers, and as all coins are subject to more or less uncertainty of weight, they are received only for the actual weight of metal they are estimated to contain. The nominal value of the perfect standard coin is, in fact, coincident with its metallic value."

Even in the case of token coinage, it is admitted that it would be unjust to oblige a creditor to receive more than a small amount of money which is not of the same intrinsic value as the metal out of which it is coined; and, accordingly, in England, the silver token coinage is only a legal tender to the extent of 40*s.*, and copper to the extent of 1*s.*, in any one payment.

I feel that I must apologize to you for having dwelt at some length on such elementary principles, but I think, if you will apply them to the resolution of Mr. Murray, which is now before us for discussion, you will at once see the unsoundness of any such attempt to keep the value of our coinage at an artificial elevation. The rupee, in fact, whatever fictitious value we may give it in this country, is only worth the silver contained in it in our exchanges with foreign nations; and it is with these exchanges and the fall in the value of our coinage in them, and not with the rupee, as it circulates in India, that we are concerned. Supposing, for instance, we were without the machinery of Banks of Exchange, and a person owing £100 in London had to remit them in rupees, these rupees would be worth exactly the silver contained in them, and nothing more. Notwithstanding all the financial machinery we have in these days at our disposal,

the same rule in the long run regulates our exchanges, and any attempt to give our coinage an artificial value, either by imposing a duty on bullion, or by curtailing its amount by Government having a monopoly in the silver trade, as proposed by Mr. Murray, would, in the long run, be as futile as it is unsound.

It would, in fact, be a singular attempt to raise the value of our standard coin by measures calculated to diminish its intrinsic value, *viz.*, that of the silver from which it is coined.

Mr. Murray lays stress upon the fact that the French Government has stopped the coinage of 5 franc pieces. I believe this is not quite correct, the Assembly having, I understand, so far only given the power to the Government to stop their coinage, should it be considered advisable. The position of France is, however, quite different to that of this country. As regards the 5 franc pieces, the system of the double standard is in force there, the effect of which is that the cheaper of the metals, gold or silver, is retained in the country, when any important fluctuation in their value is taking place, for the payment of its internal liabilities, whilst the dearer metal is exported. France benefited greatly by this system, as things have turned out, during the years of the cotton famine, her silver having been largely exported; and she is now naturally desirous that the system should not work the other way, and the gold be exported, whilst the cumbrous 5 franc pieces are retained in the country.

I would further point out that a recurrence to the objectionable monopolies of former times would, amongst

its earliest effects, probably produce a great stringency in our money market, and have a most disastrous effect upon our local industries, which, I feel convinced, are destined to play a great part in enriching this country.

Another objection to Mr. Murray's proposal is that a great stimulus would be given by it to the introduction of counterfeit coin; indeed, I do not think it is too much to say that India would be flooded with counterfeit rupees.

John Stuart Mill, in his Principles of Political Economy, in the chapter on money, writes as follows:—

"Whatever Government takes for money beyond its expenses would be so much profit on private coining. Coining, though not so easy an operation as melting, is far from a difficult one, and, when the coin produced is of full weight and standard, fineness is very difficult to detect. If, therefore, a profit could be made by coining good money, it would certainly be done, and the attempt to make seigniorage a source of revenue would be defeated."

Any attempt to keep the value of the coin at an artificial elevation, not by seigniorage, but by refusing to coin, would be frustrated in the same manner.

Only consider, gentlemen, the temptation there would be to coin counterfeit rupees, if the value of our currency were artificially enhanced, and a profit of 25 per cent., or 30 per cent., could be made by coining good money—that is, of full weight and standard.

Consider the difficulty of preventing it from being

smuggled in immense quantities into a vast country like India. Consider, too, the oppression and vexations which would probably result, in countless instances, from people being falsely accused of having introduced counterfeit rupees into the country, or of having them in their possession.

These last two objections to Mr. Murray's proposal, although of considerable importance, have however less weight with me than what I consider its radical unsoundness, which I have endeavoured to explain, and which I trust will lead to its rejection by the Chamber.

The resolution was then put to the vote and carried by a large majority, only three or four members voting against it.

The PRESIDENT said: Gentlemen—I now come to the third point in our circular, namely, the change of standard from silver to gold, and it is here that the majority of replies is opposed, to the views of the Committee. That there is absolute necessity for the introduction of gold is received by some with only doubtful acquiescence, entirely repudiated by others, and declared impossible by more. Allow me for a few moments to call your attention to some of these objections. It is said that gold will not run currency, that the people are too poor, their daily transactions are only of a small amount each, for which gold is not needed, and therefore, that gold is not suited to the requirements of the country. It is as logical to argue that gold is unsuited to the requirements of English life, because the multifarious daily transactions of the working classes, who form the mass of the people, are confined to

small receipts, and payments chiefly in copper, or at most in small silver money. A gold coin is, perhaps, as rare a sight to the agricultural working man at home, as it is and will be to the ryot here, even when gold is introduced. To carry this objection to its logical conclusion, our present silver currency must also be objected to, for the bulk of these daily transactions is carried through by means, not of silver, but of copper, and, still lower, of cowries. Our silver currency should therefore be dropped, and copper and cowries be substituted in their stead. Another objection has, oddly enough, for its foundation, the fear that the requirements of the people and the country will be so large that we shall not be able to procure sufficient gold for our wants. A third objection has been lately started that the amount needed, though not so large in itself, or in the aggregate, will be needed partly in a continuous and steady stream, and partly in a spasmodic manner, and that this will cause such serious disturbance in the English money market as to render it out of the question our ever thinking of gold as a standard.

Most of these objections appear to me to be based on a misapprehension of the terms "currency" and "standard." We do not want gold as a currency in the sense that these objections place on it. We need it not so much for our internal transactions, as for the regulation of our relations with other nations. If there is any force in the arguments I have placed before you to-day—arguments supported by the latest authorities on the subject, and, what is more to the point, supported by the practical action of other silver-using nations—it seems clear that we cannot continue our silver standard and trade at the same time

on equal terms with other countries who can, under existing circumstances, force their depreciated silver on our acceptance, whether we like it or not. If my argument is true, it is the bounden duty of Government to take all the necessary measures to ensure its introduction, and to ascertain whether the fulfilment of the necessity is within their power to accomplish. It is therefore necessary that they should look at the effect that will be produced on our internal trade, before they commit themselves to the measure. That gold is unsuited to the country owing to the infinitesimal transactions of the people, I think I have proved to be a fallacy. If any further proofs be needed of the effect of the internal trade, or of the opinion of Government officers and native merchants as to the practicability or the desire for the introduction of gold, I would ask your attention to the following portions of the Report of the Currency Commission, to which I have already referred. Among the points which seem to be firmly and generally established were, that the demand for gold currency is unanimous throughout the country, and that the opinion is general, almost unanimous, that the currency should consist of gold, silver, and paper.

With such evidence of the general wish of the country before them, the Commissioners go on to say that they cannot hesitate to express a hope that the Government of India will persevere in the policy which was recommended to them for the approval of the Secretary of State two years previously, namely, to cause a legal tender of gold to be a part of the currency arrangements of India.

The consensus of opinion, then and two years previously, is clearly not only that gold is suited to India, but that it

is also desired by the people themselves, and that its introduction has been more than once pressed on the attention of Government for adoption. The only change that I can perceive between the circumstances of the case then and now is, that the change is more than ever needed, and attended with less danger in this respect.

The question is, can we procure enough and at sufficiently moderate cost? I think they may be both accomplished without causing the great disorganization in the London market that some so much dread. The country already absorbs a fair quantity of gold—about five millions sterling I believe—without any perceptible difference in the London market. It must also be remembered that London is not the only source from which we shall derive our supplies of gold. China already sends us some; the new Californian mines produce gold as well as silver, and we would receive a portion of this in payment of our large and growing trade with it; the Continent of Europe—our direct trade with which is largely increasing—would also have to contribute its quota. Government would have, in the first instance, to bring in some, and here will be the first initial loss which will be fully compensated by greater regularity if not by a large development, in the trade of the country. Once the machinery is set in motion, the action of trade will settle the ebb or flow of gold, and the balance would be attained to a nicety.

There are difficulties in the way, and details to be arranged. The great point, however, is to show the Government the absolute necessity of the step, and I have little doubt they will be only too ready to adopt the measure. I will now move—

"That the Committee be requested to urge on the Government the necessity that exists of giving effect to the recommendation already made to them, and to take such steps as may appear to them necessary, for the introduction of gold as a legal standard, at as early a date as practicable."

Mr. NICOL FLEMING said: I have much pleasure in seconding the resolution. Having agreed to make a representation to Government on the subject of the depreciation in the currency, I think it necessary that it should be accompanied by something in the shape of practical suggestion, because it would be unbecoming the Chamber of Commerce to go up to Government with a recommendation and without any practical suggestion. Happily, one portion of the proposition before you has been approved, and, I think, this further proposition is a mere corollary of the first. We cannot ask the Government to stop the coinage of silver without urging on them the adoption of a gold standard, and I for one would not feel at ease if we recommended the one without urging the adoption of the other. I have listened with great attention to what has fallen from Mr. Windram and Mr. Van Cutsem, and I concur in their views to a very great extent, but I do not think they have viewed the subject from the proper standpoint. We do not expect that gold will go largely into use in the country; for retail purposes, it certainly will not, and in wholesale transactions hoondies and bills of exchange will continue to be used instead of coin; therefore, gold is unsuitable for currency purposes. It is however good as a standard, and it is thus we hope to see it used. The fact is silver has become unsuitable as a standard from its being subject to such

constant fluctuation, and business latterly has degenerated into a species of gambling, each one who buys goods doing so in anticipation of the exchange falling so as to enable him to land them in England at a lower cost. I know that this has been done—in fact, I have done it to some extent myself—but the fact is deplorable nevertheless, and I should be glad to see something done to remedy it. For my part, I cannot see how the introduction of a gold standard will result in a loss to the State. Mr. Windram himself will import gold instead of silver; he cannot help himself if the coinage of silver is stopped; and if Government stops the Secretary of State's drafts, a vacuum will be created, and gold come into the country without Government moving hand or foot, and without any effect on the London market. While on this subject, I must say that I was considerably surprised at seeing an article in the *Statesman*, a paper which has recently taken great interest in this matter, stating that the introduction of a gold standard will stop the Bank of England! Such remarks are, to say the least of it, unworthy of it. Now, I repeat that having passed the previous resolution, we cannot stop there; we must perforce adopt the gold standard, and I therefore commend the resolution to your notice.

Mr. SIMPSON said: I quite agree with Mr. Fleming that the stoppage of the coinage of silver should only be preparatory to the gradual introduction of a gold standard. The effect of one without the other would be still further to depreciate the rupee—in short, the Government would be putting in circulation a debased coin, as the result of closing our mints to the public would probably be a further heavy fall in the price of the metal. I cannot

agree with Mr. Windram in the views he expresses, nor do I think the difficulties he anticipates regarding the introduction of gold standard exist. For, I believe, it will be generally admitted that there is no country in the world better able than India, of course aided by England, to maintain a gold standard. Our indebtedness is within ourselves, England and India, and why should we not get gold for our produce?

Some very valuable papers on the subject have been laid before the Secretary of State for India, as well as the Government of India, amongst them one written by Mr. Gwyther, the Chief Manager of the Bank I represent. With the permission of the Meeting, I will read one or two extracts.

Mr Gwyther, in referring to a change of currency in India—says, Germany and Holland both afford data to work upon, the former showing the errors to be avoided, and the latter pointing to the course which can with greatest safety be pursued, and he goes on to state—

"Preparatory to the adoption for a gold standard in Holland, notice was given by the Government that the coinage of silver on behalf of private individuals would be suspended. The effect of that notice was at once seen in the turn given to the foreign exchanges of that country, which had previously been forced down by the fear of its being deluged with silver from Germany, but thereafter rise steadily to a point which showed that confidence had been restored; and at which point the exchanges have since continued, the Government having, meanwhile, passed a bill through the Dutch Parliament,

authorizing the establishment of a gold currency, which is now being gradually carried into effect.

"Following this example, the first step for the Indian Government to take would be the issuing of a similar notice to the effect that after a fixed date the coinage of rupees, except at the discretion of Government itself, would cease. The period indicated by the notice should, of course, be sufficiently long to prevent interference with any existing contracts for the purchase of silver intended for conversion into rupees; but three months would, no doubt, be ample. Judging from what occurred in Holland, it may fairly be inferred that such a preliminary measure would restore confidence in making contracts, and place the foreign trade of India on a sound basis. It would of course, however, be only an introductory step, to be followed by the carrying out of well-matured plans for the gradual establishment of a gold currency.

"Assuming that the India Council would continue its drawings, which it would no doubt be able to do at a constantly improving exchange, the policy recommended would be that of issuing sterling loans from time to time in this country and with the proceeds shipping gold to India, which would be held there until a sufficient quantity had been accumulated to allow of gold coins being issued as a legal tender. As this measure would be a direct means of placing additional funds in India at the disposal of Government, it would allow of the repayment there of the debenture debt and 5½ per cent. rupee loan falling due in 1877 and 1879 respectively, thereby obviating any objection which might be felt to an increase of the total public debt of India. Some of the gold thus im-

ported would form part of the reserves to be held against the note circulation, and a certain amount of rupees would thereby be set free to meet any possible scarcity through the stoppage of further issues of that coin from the mint."

I think these paragraphs deal with the question as thoroughly as it can be dealt with, and I therefore commend them to your consideration.

In recommending the stoppage of the silver coinage to the public, I think the Chamber should, in view of such a measure being adopted, ask the Government to at once appoint a Commission to enquire into the practicability of introducing a gold standard.

Mr. WINDRAM said that he was of opinion that if the Government had the exclusive right of coinage, and ceased to coin for the public, the exchange would rectify itself, as it had done in Holland under similar circumstances. He thought it would be found that the more they looked at the question of gold standard the more they would find it beset with difficulties. He begged to enter his dissent, because he did not consider it was feasible to introduce a gold currency. They should, he thought, rather adopt measures for the protection and appreciation of their silver currency.

Mr. E. C. VAN CUTSEM said:—Mr. President and Gentlemen,—Whilst, as I have already said, I deprecate as much as Mr. Windram does the introduction of a gold currency into this country, I think there is a good deal of force in Mr. Nicol Fleming's remark that, if the coinage

of silver on private account and the importation of rupees are put a stop to and prohibited, the adoption of gold as the standard coinage of the country must eventually result as a corollary to such measures.

It is, in fact, difficult to conceive how the rupee could continue to be our standard, if its value were driven up by artificial means, say, to 1*s.* 10*d.*, whilst its intrinsic value as silver was further depreciated, say, to 1*s.*

I, therefore, expressed an adverse opinion to any interference with the bullion trade, and I am equally opposed to the introduction of a gold currency into this country.

Such a currency would not, I think, be at all suitable to so poor a land as India. Its introduction at the present moment would cause a further great depreciation in the value of silver. It would be exceedingly costly to the State; and, last, though not least, there has not yet been time to decide whether the value of silver is likely to continue to decline, or whether the causes of its depreciation are of an ephemeral character, and its restoration to something near its normal value is not thereby a question of time.

I am aware that the advocates of the change argue that the adoption of a gold standard does not necessarily involve the coinage of much gold, and it is true that some countries, Scotland for instance, which have a gold standard, have a principal currency composed almost entirely of paper.

The economic conditions of a country like Scotland are,

however, so widely different from those of India, that it would be futile to base any argument in the present question on any such example.

In many parts of India, Government notes only circulate with great difficulty, and the most serious consequences would probably result were any attempt made to enforce their circulation.

The currency of India would, consequently, consist, if Mr. Murray's recommendations were adopted by Government, of an immense token currency of greatly depreciated silver and a gold standard coinage, of which Mr. Nicol Fleming and some other gentleman, I believe, think that only a comparatively small quantity will be required.

I should, however, wish to know what quantity of gold it is thought would be sufficient for the purpose, and on what data the calculation is based. I should also like to know at what rate it is thought that Government could give gold in exchange for silver; how that rate could be maintained unchanged; and how, with the comparatively small quantity of gold which is vaguely spoken of, it would be possible to prevent constant speculations in that metal, its withdrawal from the circulation in large quantities for hoarding, &c., and other operations which would certainly produce serious fluctuations in the exchanges.

It would also be desirable to know how the holders of Government notes would be dealt with. Would it be fair to them for Government to help to depreciate the currency, and then pay them with depreciated silver?

In considering the whole question, my feeling is that it would be unwise to make any radical alteration in our currency, and that the establishment of Government monopoly in silver, or any interference with the freedom of trade in bullion, cannot be too seriously deprecated.

It is not many years since that a plethora of silver was dreaded in Europe, and the Dutch Government, anticipating a great fall in the value of gold, adopted silver as the single standard of value in 1850.

An entire change has now come over the spirit of the dream. We are at the opposite pole; but, in the course of a few years, we may again see the equilibrium established between the precious metals, especially if the Indian Government does everything in its power to stimulate the development of the great agricultural and industrial resources of the country.

Mr. CRAIK said that as there was no doubt this was a matter upon which very great difference of opinion prevailed, and as the second resolution, to which the Chamber had assented, did not propose entirely to stop the coining of rupees, but only to limit such to the discretion of the Government, he hoped that this resolution regarding a change of standard would not in the meantime be pressed. After receiving a reply from Government to the suggestions contained in the first two resolutions, this matter might again be taken up, and, meanwhile, the members of the Chamber would have an opportunity of giving this subject their further consideration, and might probably come to a more unanimous determination than they were now likely to do, especially seeing that there

are not yet sufficiently reliable data to guide to the undoubted conclusion that the supplies of silver must in the future be so enormous as permanently to debase the value of the metal.

The Hon'ble Mr. BULLEN SMITH said that he had great pleasure in seconding the amendment, as he thought it would be best that the further consideration of the subject should be delayed. For himself he would say that if the question were put to the vote just now, he would not vote on either side; he had heard much to-day on which he wished to reflect, and unless he had time for consideration he would not like to vote one way or the other. He was sure they would all feel grateful to the Committee for their labours in this matter and for getting up this meeting, which was the most numerously and influentially attended one he had seen for some years past. And such being the case, he hoped that whatever went up to Government should go up as the undivided, or at least the nearly unanimous, opinion of the Chamber. He trusted, therefore, the Chamber would not divide on the question, but postpone the further consideration of it for the present.

The PRESIDENT said that he was quite aware of the difficulties which surrounded the question, and had himself remarked that it required long and anxious deliberation, but he considered that Government had already sufficient information before them in the reports of the two Commissions appointed in 1864 and 1866. However, he had no wish to divide the Chamber on the subject, and was quite willing to accept Mr. Craik's amendment, and withdraw his resolution.

The resolution was accordingly withdrawn, after which the meeting came to a close.

From Govt. of India to Chamber of Commerce.

ACCOUNTS.

Simla, 22nd September 1876.

No. 3044.

Read again—

Resolution No. 1967, dated 31st July 1876.

Read—

A letter, dated 17th July 1876, from the Secretary to the Bengal Chamber of Commerce, transmitting, for the consideration of His Excellency the Governor General in Council, the following two Resolutions adopted at a Special General Meeting of the Chamber held on Saturday, the 15th July:—

RESOLUTION.

1*st*.—"That the continued depreciation in the value of silver is a question most seriously affecting the political and financial interests of the country; and that, in view to its very great importance, the Committee be requested to address the Government, in order to obtain such information as they may be able to give, in regard to the policy which they propose to pursue under the circumstances.

2*nd*.—"That the Chamber approves of the suggestion of the Committee, that it is expedient, in view of any ultimate measures that the Government may adopt, that Clause 19 of Act XXIII of 1870, making it obligatory on the Mints in India to receive all silver tendered for coinage, and also Section 11, Clause *(b)* of Act III of 1871, making it obligatory on the

Currency Department to issue notes against silver bullion sent in, be temporarily suspended, at the discretion of Government; and that, during such suspension, or till further notice, it be not lawful to import coined rupees from any foreign port."

Read—

A further letter from the Secretary to the said Chamber, dated 22nd July, forwarding copy of the proceedings of the Chamber at the Special General Meeting aforesaid.

In this letter, the Committee of the Chamber, while recognising the difficulty of the position of the Government of India, remarks that the "the uncertainty that has hitherto shrouded the action of Government has been attended with serious consequences to merchants and bankers, and will so continue to attend their transactions so long as they are kept in ignorance of the course of action the Government propose to take." The Committee therefore "expresses a hope that His Excellency the Viceroy will, in the interests of commerce, and of the country generally, accede to the prayer of the first Resolution of the Meeting, and make public the intentions of the Government."

As to the second Resolution, the Committee point out that its object is "not to prohibit coinage altogether; for that would be likely to bring about a collapse of credit; but to place all coinage in the hands of the Government to be exercised at their discretion." "It appears to the Committee suicidal" for the Secretary of State to allow the competition of bar silver with the rupees which he has to offer

to those requiring money in India, and that to suspend the free conversion of silver bullion into legal tender coin is "not only a wise and reasonable, but a necessary, precaution for the Government of India to take for the preservation of their own currency, and to support the credit of their own loans, as well as to prevent the country from being swamped by silver sent in by foreign nations."

The Committee argue that the fact that the Government of India is compelled "to put their Mint stamp to all silver" sent to India "has given an artificial and fictitious value to silver, which would cease as soon as the law is suspended. Bar silver would then, gradually, fall to its own intrinsic value; and the extent to which it is depreciated would be soon gauged; whereas now, it is impossible to say how much its value is appreciated by our present 'open coinage system.'"

"When all Europe is closing its door against the import of silver with the avowed object of having as little of the metal as possible, should the depreciation be found permanent, it seems most impolitic," the Committee think, "to keep ours wide open for the reception of an unlimited quantity costing the country, through our coinage laws, far more than its real intrinsic value." The Committee "can see no valid reason against" the immediate adoption by the Government of the second Resolution of the Meeting, and consider that "the objections brought against it have been based either on a misconception of its real scope, or on abstract principles (ignored

by other States); whereas the position of affairs is altogether exceptional, and ordinary rules do not apply." The Committee represent that "the measures recommended in the Resolution are not more stringent than, (in fact scarcely so stringent as), the first financiers in Europe have found it necessary to adopt."

Lastly, the Committee point out that "there was a third proposition put before the Meeting, recommending the adoption of a gold standard which, in deference to the feeling apparent among members present, was temporarily withdrawn;" and they refer the Government to the debate at the Meeting upon this proposal.

Read—

A letter, dated 1st August 1876, received in the Legislative Department from the Secretary, Calcutta Trades' Association, forwarding a Memorial from the Master, Wardens, and Committee of the Association to His Excellency the Viceroy and Governor General of India in Council.

In this document the memorialists represent that they have, for many months past, been suffering great loss from the low rate of exchange, which bids fair to paralyse trade. The memorialists join earnestly with the Bengal Chamber of Commerce in urging on the Government the importance of declaring the policy it intends to pursue for the remedy of this evil, and pray that the policy of a temporary sus-

pension of the compulsory coinage of silver may receive the early consideration of Government.

The memorialists further express great satisfaction at the desire manifested by the Government to encourage local manufactures, and suggest a relaxation of the Rules against the purchase of imported stores for the Government in India.

Read—

The Report by the Select Committee of the House of Commons on Depreciation of Silver with the Proceedings of the Committee, ordered by the House of Commons to be printed on the 5th July 1876.

OBSERVATIONS.—The Government of India has been, for many months past, anxiously engaged in investigating the causes of the present depression of silver relatively to gold, and its effects upon the financial, commercial, and social interests of this Empire.

2. For 40 years before 1873 the price of silver in London was never less than 59*d.*, and for 22 years never less than 60*d.*, per ounce. From 1872 to 1875 the price fell to nearly 56*d.* Since then it has fallen with alarming rapidity; the price of silver having been, at one time, quoted at 46*d.* per ounce. There has, indeed, been a subsequent reaction; but, although the price of silver lately rose to 54*d.* it has again declined; nor can any term be, as yet, predicted to the continued oscillation in the relative values of the precious metals.

3. A fall so sudden, and so prolonged, in the price of

the metal forming the legal tender of this Empire could not fail to affect injuriously its monetary transactions with England. The Government of India has to pay, in London, annually, in gold, about fifteen millions sterling, The greater part of this yearly charge is unavoidable and permanent. The interest, for instance, on the sterling debt of India, and on the capital of the Guaranteed Railway and Irrigation Companies (amounting altogether to about 7 millions sterling)*; the pensions and annuities to retired officers of the Government, both civil and military and their families (about $2\frac{3}{4}$ millions sterling); that portion of the military expenditure which consists of pay and allowances; and most of the disbursements from the Home Treasury;—are all fixed by contract or honorable obligation, and cannot be reduced at discretion. Any divergence of the normal relative values of gold and silver must therefore have a most important bearing on the finances of the Indian Empire; and should such divergence be prolonged for any considerable length of time, it would be incumbent on the Government either to raise its revenue, or to reduce its expenditure, or to resort to both these expedients, in order to restore financial equilibrium.

4. In common with the Government, its chief civil and military officers, who, being of British birth, are under the necessity of remitting some considerable part of their earnings to their native land, must suffer heavily, their official incomes being fixed in silver, for a given quantity of which they will get a less quantity of gold. Moreover, all persons of the same nationality, who have placed their savings in the securities of the Government of India, or have invested capital in local industries, lie

under a similar obligation to transmit a large portion of their profits to Great Britain, and are exposed to the same substantial loss. The Government cannot be indifferent to the interests of these classes. Nor are theirs the only interests affected: the violent fluctuation in the rate of exchange has had a baneful and disturbing effect upon commerce; while the fall in silver, as compared with gold, has seriously checked and depressed the import trade. It is true that whenever an equilibrium may be reached, the exigencies of commerce will adapt themselves to any new ratio of value between the two metals; but it may be long before a stable adjustment of relative value is again attained, and meanwhile the mercantile world must suffer.

5. Such being the magnitude of the evil, and such the extent and variety of the interests involved, the Bengal Chamber of Commerce and the Trades' Association of Calcutta were, without doubt, fully warranted in addressing the Governor General in Council on the subject, and in urging the adoption of measures which, in their opinion, are calculated to remove, or alleviate, the misfortune. The Governor General in Council deems it due to these Associations, and to the public at large, that, after careful consideration of the proposals thus put forward, the Government should make known the reasons which have convinced it that none of them can at the present moment be adopted without inflicting on the country greater evils than those which they are designed to remedy.

6. The present disturbance in the equilibrium of the

precious metals must be due to one of the following causes—

(1) *the value of gold being unchanged, the value of silver is fallen;*

or (2) *the value of silver being unchanged, the value of gold is risen;*

or (3) *the value of gold is risen and the value of silver is fallen;*

or (4) *the value of both metals is risen; but the value of gold is risen more than that of silver;*

or (5) *the value of both metals is fallen; but the value of silver is fallen more than that of gold.*

The character of the remedies indicated if the disturbance is found to be due to a rise in the value of gold, will, obviously, differ from what would be suitable in the case of a fall in the value of silver; and to enable the Government to choose the right course among those open to its adoption, it is essential that it should ascertain which of these five possible causes of the disorder is the true cause. Should this be impossible, the Government must either defer action, or, if action cannot be deferred, take that course which, according to its best judgment, will do the least harm to the whole body politic, and produce the least injustice.

7. Now, the proposals of the Bengal Chamber of Commerce and the Calcutta Trades' Association, as well as nearly all the suggestions which have been made in the public journals on this subject, start from the assumption

that, of the five possible causes of the present disorder, either the first is certainly the true cause, *viz.*, that the value of silver has fallen, the value of gold remaining unaltered; or that, in any case, the disorder is directly attributable to the altered value of silver irrespective of any change that may have simultaneously occurred in the value of gold.

8. Accordingly, the Chamber invite the Government to take a measure calculated to enhance indefinitely the value of the rupee, by suspending the long-established legal right of all comers to have silver bullion manufactured, upon uniform conditions, under State supervision, into legal-tender coin, and temporarily substituting a system of coinage at the discretion of the State. It is obvious that the effect of such a measure must eventually be a fall in prices; which, as prices have not hitherto risen, would be an unjustifiable interference with private interests.

9. Silver is, at present, as it has long been, the legal standard of value in India. The first condition necessary for constituting and maintaining any metal a standard of value, is what the Committee designate, with some apparent disapproval as "the open coinage system." If restriction be put, in any country, upon the coinage of a metal, the value of the metal ceases, *ipso facto*, to be the standard of value in that country. Thus, if the Government of India were to adopt the suggestion of the Chamber, silver would no longer be the standard of value in India, but another standard would be substituted, *viz.*, the monopoly value of the existing stock of rupees tempered by any additions made to it either by the Govern-

ment, or in an illicit manner. If no such additions were made, the value of the rupee would gradually, but surely, rise; just as the value of any commodity in general use, must rise if its supply be cut off.

10. Under such conditions there can be no doubt that the mint stamp of the Government would give "an artificial" (though not a "fictitious") value to every disc of silver on which it was impressed, just as it does in the case of any token or subsidiary coin, or as the signature of the representative of Government does to a currency note. But the Government of India is unable to agree with the Chamber that, so long as silver is freely coined, on uniform conditions, for all comers, the mint-stamp gives any artificial or fictitious value to the pieces which are thus converted into rupees; except in so far as the cost of manufacture, including the duty of seigniorage, causes their value to differ from that of an equal weight of standard silver. The stamp of the mint certifies to the weight and purity of the silver contained in each disc on which it is impressed, and so saves the labor and cost of weighing and assaying the coin each time it changes hands; but, except by adding to it the cost of the process of coinage, including the duty of seigniorage, it has no effect whatever upon the value of the disc, any more than have the shroffs' marks upon coins, still common in some parts of India.

11. It is essential to a sound system of currency that it be automatic. No man, or body of men, can ascertain whether, at any particular moment, the interests of the community, as a whole, require an increase or diminution of the currency; still less, how much increase or how

much decrease is, at any moment, exactly needed No Government which aspires to keep its currency in a sound condition, would be justified in attempting that impossible task ; or in leaving the community, even for a short interval, without a fixed metallic standard of value. Under an "open coinage system," these things regulate themselves without official interference.

12. The Chamber has, apparently, misunderstood the action of the various European States, quoted in support of the Resolution. No European States, so far as the Government of India is aware, except indeed those with inconvertible paper currencies, have, in abandoning a silver standard of value, left themselves without a fixed metallic standard. All those States which have recently abandoned silver as a standard, have simultaneously adopted a gold standard. When Germany ceased to coin silver, she opened her mints to gold. So did the Netherlands. So did the Scandinavian Kingdoms. The case of the countries associated under the name of the Latin Convention is not different in principle: their standard was alternative ; either silver or gold, according as gold was worth more or less than $15\frac{1}{2}$ times its weight in silver. These countries have, now, suspended the free coinage of silver, and so reverted, for the time being, to a sole gold standard: but none of them, except those whose currency is inconvertible paper, have been for a day without a fixed metallic standard of value.

13. It remains for the Governor General in Council to notice the argument urged by the Chamber of Commerce, that the extent to which bar silver is depreciated can only be gauged if the Government of India ceases to coin

silver for all comers; and that it is impossible to say how much its value is appreciated by the present "open coinage system."

14. The value of every commodity—of gold and silver as much as of others—depends, on the one hand, upon the supply; on the other, upon the demand for the commodity, and that, again, upon the uses made of it. The principal demand for the precious metals is for manufacture into money, for use as instruments of exchange, and for hoarding. If either gold, or silver, or both, were wholly deprived of this field of employment, it is impossible to say how low the value of either metal, or of both of them, would sink. The Government of India is not aware that any commodity has an "intrinsic value of its own," apart from the demand for its use.

15. The main cause of the recent divergence of the values of gold and silver appears, from the evidence collected on the subject, to be the substitution of gold for silver as the standard of value, and, therefore, as legal-tender money, by several European nations; and there is no reason to doubt that if gold were substituted for silver as the standard of value, and, so, as the material of money, or even if the free coinage of silver on fixed conditions, into legal-tender money were suspended in British India, the effect upon the relative values of the two metals would be very considerable. But no practical object would be served by endeavouring to ascertain what would be the relative values of the two metals under conditions so widely differing from those which govern the present situation.

16. The Governor General in Council observes that the Committee of the Bengal Chamber of Commerce, when asking the Government of India to close Her Majesty's mints to the free coinage of silver into legal-tender money, would have advised the simultaneous adoption of gold as the sole standard of value in India; but that the Chamber was not prepared to adopt the suggestion. Such a recommendation would not have been open to the objections that appear to the Governor General in Council fatal, *in limine*, to the adoption of the Resolution actually advocated by the Chamber, *viz.*, to close the mints, temporarily, to the free coinage of the one metal into legal-tender money, without, simultaneously, opening them to the free coinage of the other into legal-tender money.

17. It is, however, the opinion of His Excellency in Council that there is nothing, as yet, in the nature of existing circumstances, notwithstanding the inconveniences and anxieties which they undoubtedly involve, demanding recourse to a measure so costly, and of which all the requisite conditions are, at present, so uncertain.

18. The divergence now noticeable in the values of gold and silver does not necessarily prove a diminution in the value of silver. It may be equally well accounted for by a rise in the value of gold; and, in fact, it is probable that, since the commencement of this divergence in November 1872, there has been an increase in the value of gold as well as a decrease in the value of silver. The actual values, measured in silver, of general commodities, whether in India or in England, afford, as yet, no evidence of any recent, sudden, or violent fall in the value of silver; and, if *a priori* considerations strongly

indicate that silver must have fallen, such considerations also make it probable that gold must have risen in value.

19. Appended to this Resolution is a series of tables of prices in London and in India, the information contained in which points to two conclusions—

1st.—That gold has risen in value since March 1873, and especially since last December.

2*nd*.—That it is not shown that silver has fallen in value, *i. e.*, as compared with commodities in general, either in London or in India, during the same period.

These conclusions are open to correction on a wider review of the economical causes which have been at work during the period: but they appear to indicate a rise in the value of gold as at least one of the causes which have disturbed the equilibrium of the two metals. The bearing of both conclusions upon the questions now before the Government of India is important.

20. It appears to the Governor General in Council, from studying the Report of the Select Committee of the House of Commons, and from such independent investigations as he has been able to make, that the recent divergence of the values of gold and silver is attributable to the following causes :—

(1) the substitution of gold for silver as a standard of value by Germany, the Netherlands, and the Scandinavian Kingdoms; as well as what virtually amounts to the temporary adoption of a sole

gold standard in place of their customary alternative standard of silver and gold, by the Countries of the Latin Convention:

(2) the increased production of silver in the United States of America:

(3) the decreased demand for silver in India.

Of these three causes, the first appears to the Government of India to have been up to the present time, the most efficient.

21. The steady equilibrium so long maintained between gold and silver may, doubtless, be attributed to the fact of the two metals having shared, without material change, the only great field for the employment of either of them. This equilibrium has been disturbed by the recent rapid supersession of silver by gold, as the standard of value, in the richer countries in Europe; a fact calculated, *a priori*, to raise the value of gold no less than to depress the value of silver.

22. As to the second cause, *viz.*, the recent increased yield of silver in the United States of America; the Governor General in Council observes that, hitherto, this is chiefly due to the productiveness of one lode—the famous Comstock lode in Nevada—the ore of which yields gold and silver in nearly equal values, one-twentieth part of the produce being gold. The contents of the lode, though vast, are yet limited. The largest responsible estimate hitherto made gives the ultimate yield of the entire lode at about £60,000,000 of which the silver portion would be somewhat above £30,000,000. From

various causes, but little of the increased produce has hitherto been offered for sale in Europe: and, excepting in the way of (a perhaps exaggerated) apprehension as to their future productiveness, the American mines have not probably, as yet, had any important share in reducing the value of silver measured in gold. It is also to be remembered that the cost of production in these rich mines will not rule the market price of silver: the price will be regulated by the expense of production in the poorest mines which the demand for silver keeps in working: the difference will go as profit to the owners, and will not effect the market price. If the event should prove that the price of silver is for the future lowered, then in proportion to such fall, the poorer mines will be closed, and the production of silver to that extent diminished.

23. As regards the third cause, *viz.*, the decreased demand for silver in India, the subjoined table shows (in crores of rupees) the net imports of treasure into India, by sea, since the beginning of the century

From	To	Number of years.	Net Imports.			Average yearly imports.			Proportion per cent. of gold to total imports.	Borrowed including Guaranteed Railway Capital.		
			Gold.	Silver.	Total.	Gold.	Silver.	Total.		England.	India.	Total.
I. 1st May...1800	30th April ... 1835	35	...	...	75·11*	...	...	2·15*	...	2·41	22·76	25·17
II. „ ...1835	„ ... 1850	15	8·19	23·94	32·13	·55	1·59	2·14	25·49	·78	11·04	11·82
III. „ ...1850	„ ... 1855	5	5·39	11·92	17·31	1·08	2·38	3·46	31·12	5·27	—2·04	3·23
IV. „ ...1855	„ ... 1866	11	56·82	118·87	175·69	5·16	10·81	15·97	32·34	76·93	20·86	97·79
V. „ ...1866	31st March... 1872	6	25·05	35·93	60·98	4·17	5·99	10·16	41·08	46·34	5·15	51·49
VI. 1st April...1872	„ ... 1876	4	7·35	9·35	16·70	1·83	2·34	4·17	44·01	8·59	4·79	13·38
	Total ...	76	...	...	377·92	...	...	4·97	...	140·32	62·56	202·88

* These figures are only approximately correct; their distribution between gold and silver cannot at present be stated.

24. During the third of the periods separated in this table, the Crimean War transferred from Russia to India a substantial demand for oil-seeds and fibres.

During the fourth period, large sums of money were borrowed in England for the repression of the Indian Mutiny, and the American Civil War vastly enhanced the value of the raw cotton of India; this enhancement was not exhausted during the fifth period. The circumstances of these two periods were altogether abnormal.

Even during the sixth period, a considerable amount was borrowed abroad, to relieve the distress arising from the failure of the rains of 1873 in Northern Bengal.

During the whole epoch from 1850 to 1876, there was a very large expenditure of capital, borrowed for the most part, directly or indirectly, in England, on the construction of railways and canals in India.

25. It is clear that, throughout the last 26 years, exceptional causes have operated to increase the amount of treasure required to settle the accounts of India with external countries. Under normal circumstances, the yearly demand of India for treasure has never been very considerable: moreover, a large and, till lately, increasing proportion of the treasure imported has always been gold. Doubtless, if the abnormal demand of the 17 years, 1855 to 1872, had been permanently maintained it would have favorably affected the values of the precious metals; but it is not certain that even such a demand would have greatly raised the value of silver relatively to gold; and its recurrence can only be anticipated if money should

again be borrowed largely from abroad, either by the Government or otherwise. Apart, however, from other considerations which suggest the inexpediency of adding to the existing debt of India, the Governor General in Council is of opinion that the uncertainty as to the future relative value of silver and gold renders it highly inexpedient that, for the present, any public loan should be incurred, implying future obligations to be discharged in gold: if money be needed by the State, for the prosecution of Extraordinary Works, it must be borrowed in India, and in the currency of India.

26. With such facts before them, the Government of India apprehend that if loans be no longer raised in England, the excess of the export over the import trade of India will not more than suffice to meet the obligations arising from the Secretary of State's demands and those of private remitters; and there consequently appears no reason to expect that India (as the Chamber anticipate) will be flooded with depreciated silver.

27. On a review of all that has been advanced, the Governor General in Council, while deeply sympathising with the losses of individuals, and the disturbance of trade caused by the fall in the exchange value of the Indian currency, is still unable to recognise any of the proposals which have been put forth as calculated to afford relief without inflicting on the country losses greater than those under which it at present labours. Nevertheless, the anxious solicitude of the Government of India will continue to be directed to the subject, and to the consideration of any suggestions designed to ameliorate the existing evil.

28. The investigations prosecuted up to the present moment have led the Government to the following conclusions:—

1*st.*—That the divergence of the values of gold and silver is not necessarily attributable only to a diminution in the value of silver; that there are strong reasons for believing that gold may have increased, as well as that silver has decreased, in value; and that this consideration must have an important bearing on the action of Government, in reference to the present disorder.

2*ndly.*—That, although it is most desirable in the interests of trade, that the standard of value in India should be the same as the standard of value in the chief countries with which India interchanges commodities, yet trade will not be permanently injured by a fall in the value of the rupee measured in gold, provided only that a fresh stable equilibrium of the precious metals be attained.

3*rdly.*—That, up to the present moment, there is no sufficient ground for interfering with the standard of value.

29.—The Governor General in Council has, consequently, by the Resolution No. 1967, dated 31st July 1876, and now read again, already taken other steps for endeavouring to bring the revenue and expenditure of the current year into equilibrium. Nothing has occurred, since the issue of that Resolution, materially to lessen the ap-

prehensions, or alter the opinions, therein expressed by His Excellency in Council.

30. Meanwhile, it is important that the Government should continue to use the resources at the disposal of the State for the development of the trade and productions of India. The Governor General in Council does not, therefore, intend to discontinue borrowing, for the construction of public works the remunerative character of which is thoroughly established, as much money as can be judiciously expended on them; provided always that money can be raised for the purpose on advantageous terms in the country itself. There are, in the judgment of the Governor General in Council, grave objections to any present increase of the liabilities of India fixed in gold.

31. The suggestion in the memorial from the Calcutta Trades' Association, as to the purchase of stores for Government use in India, rather than in the England, has already received, and will continue to receive, the attention of the Government, both in England and in India. But, whatever the condition of the exchanges, there are various other circumstances which must, in the opinion of the Government of India, be taken into consideration in the determination of this question.

32. In conclusion, the Government desires to correct an important misapprehension manifested in the letter from the Chamber of Commerce, dated 22nd July 1876. The Rs. 2,33,20,000 provided in the estimates of the current year under the adjusting head, *Loss by Exchange*, was covered by the estimated Revenue of the year; cre-

dit was not taken for any borrowed money as if it were revenue: nor will the excess amount, borrowed during the year by the Secretary of State, be treated as Revenue, or set against the ordinary Expenditure of the year.

ORDERED, that this Resolution be communicated to the Bengal Chamber of Commerce and the Calcutta Trades' Association, and to the Bombay and Madras Chambers of Commerce;

that copy be sent to each Department of the Government of India, and each Local Government and Administration;

and that it be published in a *Gazette of India Extraordinary.*

From Manchester Chamber of Commerce to Bengal Chamber of Commerce.

Manchester, 20th July 1876.

I have to acknowledge receipt on the 18th instant, of telegram of your Chamber on the subject of depreciation of silver, *viz.*

"This Chamber recommends Government India "temporary suspension silver coinage, advances "on silver bullion, and prohibition import coined "rupees; will you and other Chambers urge Sec- "retary State."

This telegram was fully discussed at a Board Meeting on the 19th—the day following—and as the result of a careful consideration then given to the question, the following telegram was despatched to you on the same day (the 19th instant), *viz* :—

"Manchester Chamber believes no permanent good "would ensue; your telegram sent Liverpool, Glasgow."

You would observe that although not prepared to take any action themselves, my Directors desired to give the Chambers of Commerce of Liverpool and Glasgow the earliest intimation of the course proposed by your Chamber, in order that they might have the earliest opportunity of supporting the same if they thought it desirable to do so.

I may briefly state, that my Directors conclude that to suspend the coinage of silver in India, would directly accelerate the depreciation of the value of that metal, and ultimately add to the difficulties and complications of both Government and the public.

From Liverpool Chamber of Commerce to Bengal Chamber of Commerce.

Liverpool, 18th August 1876.

I am to acknowledge the receipt of your letter of the 25th of July, enclosing, for the information of this Chamber, copy of letter addressed to the Government of India, together with copy of proceedings of a meeting of your Chamber held on the 15th of July, on the subject of the depreciation of the value of the currency of India, and to say that a copy of a telegram transmitted by you to the Chamber of Commerce at Manchester was forwarded here by that body on the 19th of July.

I shall lay your letter and enclosure before the Council of this Chamber at their next meeting.

In the meantime I beg to transmit to you, by the book post, two copies—in pamphlet form—of letter addressed to the President of this Chamber on the same subject, together with two copies of the memorial of the Chamber to the Prime Minister, agreed to at a Special General Meeting of the members of the Chamber, convened for the purpose of considering the question and held on the 20th of July.

FALL IN THE VALUE OF SILVER.

The following Memorial has been transmitted to the First Lord of the Treasury by The Incorporated Chamber of Commerce of Livetpool :—

TO THE RIGHT HONORABLE BENJAMIN DISRAELI, M. P., HER MAJESTY'S FIRST LORD OF THE TREASURY.

The Memorial of the Incorporated Chamber of Commerce of Liverpool.

Sheweth—

1. That your Memorialists have carefully considered the Report made by the Select Committee of the House of Commons, ordered by the House to be printed on the 5th of July, 1876, upon the causes which have led to the depreciation of the price of silver, and the effects of such depreciation upon the exchanges between India and England.

2. That it appears from the Report of the Select Committee, that while they have entered into a statement of facts bearing upon the subject of their inquiry, they have abstained from offering any opinion as to the probable course the silver market may take, or from including in their Report any recommendation to the House with regard to the monetary and commercial derangements arising out of the fall in the price of silver; but the important statement is made by the Select Committee, that the fall in the price of silver is not so much due to any excessive production of silver as compared with gold, but mainly to the changes which have taken place in the uses of the metals.

3. That the fall in the price of silver is due, according to the Report of the Select Committee, to the simultaneous operation of two sets of causes, namely,—the increased production of newly discovered mines, and the surplus silver thrown on the market by Germany. as follows:—

(1.) To the discovery of new silver mines of great richness in the State of Nevada.

(2.) To the introduction of a gold currency into Germany in place of the previous silver currency. This operation commenced at the end of 1871.

(3.) To the decreased demand for silver for export to India.

(4.) That the Scandinavian Governments have also substituted gold for silver in their currency.

(5.) That the Latin Union, comprising France, Belgium, Switzerland, Italy, and Greece, have, since 1874, limited the amount of silver to be coined yearly in the mints of each Member of the Union, suspending the privilege formerly accorded to all holders of silver bullion, of claiming to have that bullion turned into coin, without restriction.

(6.) That Holland has also passed a temporary Act prohibiting, except on account of the Government, the coining of silver, and authorising the coining of gold.

4. That the Port of Liverpool, having extensive trading transactions with countries in which silver currency predominates, is therefore deeply interested in this ques-

tion through the very serious losses which are arising to many of her Merchants and Traders from falling exchanges, where these are based on silver money.

5. That your Memorialists are of opinion that this question is of more than local importance; that it is of Imperial importance as well; and the trading communities of other nations, as well as ourselves, are affected injuriously by the depreciation in the value of silver.

6. That your Memorialists believe that the depreciation in the value of a metal which is in universal use for monetary purposes has invested its fall with an importance and interest of world-wide concern, and that the very serious consequences arising out of it are deserving of the early and careful consideration of our own Government, and the Governments of all other countries concerned.

7. Your Memorialists therefore pray that Her Majesty's Government will take into early consideration the desirability of convening an International Conference, with the view of considering the whole question.

Given under the Common Seal of The Incorporated Chamber of Commerce of Liverpool, this 2nd day of August, 1876.

SAMUEL SMITH, *President.*

WILLIAM BLOOD, *Secretary.*

From Chamber of Commerce Madras, to Chamber of Commerce, Calcutta.

Madras, 31st August 1876.

I have now the honor, by direction of the Committee of this Chamber, to acknowledge receipt of your letter, of the 24th ultimo, handing a copy of the printed Report of the Proceedings at a Special Meeting of your Chamber, on the 15th, and a copy of the letter that you addressed on the 22nd idem, to the Financial Secretary to the Government of India, relative to the steps that, in the present state of the foreign exchanges and of the depreciated value of the currency in this country, should be taken. These papers have been studied with the greatest interest by the Members of this Chamber, and it is my pleasing duty to convey to you, for communication to your Chamber, an expression of their cordial acknowledgments of these efforts, to devise a remedy for what threatens to assume the dimensions of a national disaster. But I am precluded from adding that this Chamber can give the desiderated support to the Resolutions carried at the meeting referred to, or co-operate in urging upon the Government of India the remedial measures suggested by your Chamber.

In approaching the consideration of this momentous subject, this Chamber have had the benefit of watching the partial recovery of Exchange since the above-mentioned Resolutions were adopted, and, in the absence of other reasons, this would be sufficient to put them on their guard against accepting proposals for an alleged malady which has been already partially healed, or temporarily

relieved by natural causes. The recovery referred to has been so speedy as to suggest in most quarters doubts as to the permanence of existing rates; but, on the other hand, the fall was so rapid as to justify a suspicion that other than natural causes were operating adversely on the commerce of the world in general, and on the currency of this country in particular. And therefore, in this Chamber's judgment, the Government should hesitate to enforce drastic remedies until the fact of the incurability by other agencies of the evil influences affecting the currency has been proved beyond all question.

It appears, therefore, to this Chamber, that the duty of the Government is, firstly, to ascertain the actual extent of the evil, and, secondly, to consider suggestions for its treatment. The Parliamentary Committee which has just reported on the decline in the value of silver, arrived, after a patient investigation, at so open a verdict as to leave the Home Government in much the same position as they were prior to the enquiry. If, then, the causes, extent, and curability or otherwise, of the evil have baffled the scrutiny of specialists in England, the Government of India may be excused for hesitating to accept conclusions on this side, based on prognostications that have, in the last few weeks, been somewhat belied by facts. The whole question is at present attended with so much difficulty and uncertainty, that this Chamber conceive it would be impolitic to accept as conclusive the alleged inability of that question to solve itself. The permanent depreciation by a heavy percentage of the value of the currency of so great and populous a country as India would be a deplorable catastrophe, and no one who has any stake in the country would be indifferent to the neglect of the Go-

vernment to avail themselves of all possible protection against it; but, on the other hand, it appears to this Chamber that the Government would incur a grave responsibility by committing the country, during the present general incertitude, to schemes of a novel description having mainly for their object the conferring of an artificial value on such currency.

This Chamber, I am further to add, are as unable to believe in the possibility as they are to admit the judiciousness of surrounding this country with a barrier to keep off the influx of superabundant foreign silver; and it seems to them that such a remedy—assuming it to be practicable—would very probably prove more exhausting in the long run than the disease. The operation proposed is too vast and too novel; and the greater the apparent profit to India by so retrograde a proceeding as the prohibition of free trade in precious metal, the greater would be the inducement to break through the obstruction. Russia and Austria present eloquent examples of the ruinous consequences of efforts to give an artificial value to currency. The homely adage that "the price of a thing is what it will bring," applies to India, and to everything produced in, or consumed by, India. Bar silver and bar iron are, after all, but varieties of metals; and the former is as much a commodity as the other, though its uses are widely different. The intrinsic value of the silver may, by an exercise of authority, be declared to be greater than everybody knows it to be; but the fact of the world at large being aware that a silver rupee, for example, is not what it seems must deter people from accepting the fiction. It is competent to a despotic Government to say "this silver coin, which is really worth only

7½ per cent. of a pound sterling, is to be considered worth 10 per cent;" bnt, unless the Government can force each member of the community to ignore the logic of facts, the coin may be trusted to find its own level as surely as does any other commodity.

The Government may try to discredit silver by refusing to mint it, but this will drive the country to employ silver bars in lieu of silver coin, rather than to discontinue the use of a precious metal which is best adapted for the trading operations of this vast and for the most part indigent country. In no country in Europe can the individual transactions of daily life of the bulk of the people be so petty in value as they are in India; and yet the gross value of such transactions must be enormous. The introduction of a gold currency into India would be an appreciable convenience to the Government and to commerce; but it is open to doubt whether such a convenience would not be bought too dearly, if, in order to bring it about, the people at large are denied the benefit of having a currency adapted to their infinitely numerous requirements. The gradual disappearance of coined silver would not necessarily pave the way for gold everywhere; but it would certainly increase the opportunities for rogues to prey on the ignorant portion of the community. Moreover, even in the improbable event of the stoppage of the manufacture of rupees failing to cause something resembling a panic among propertied natives, and illimitable inconvenience and loss to the people at large, this Chamber fail at present to understand how it can be expected to send up exchange, for remitters. or those who want to buy gold in Europe, are sure to find that the rupee, when handed to an Exchange Bank, will

buy no more than the silver of which it is made is worth outside India. There would be a chance of the experiment succeeding if it were introduced coincidently with an entire severance of commercial and other relations with foreign countries—if India, in short, could isolate herself, as Japan used to do. But any arbitrary interference with free trade must, the Chamber conceive, tend to elevate blockade-running to the dignity of a fine art; and the end of the struggle against nature and knowledge is likely to be that the Government will obtain the minimum of advantage for a maximum of politico-economical inconsistency.

While, however, this Chamber are satisfied that it is premature, and, therefore inexpedient to apply remedies for a disease that has not been diagnosed, they will cordially second any efforts in the direction of moving the Government of India, or Parliament, to reconsider the arrangements for what are technically known as the "Home Charges." The Council Bills for those charges constitute one of the most formidable features in the Indian balance-sheet, and they have had much to do with the present position of exchange. Yet the Secretary of State seems to enjoy irresponsibility regarding them. It is competent to him to draw when, and how, he likes; and nothing is more significant of weakness in the Annual Financial Statements of the Government of India, than the section in which nervous reference is made to the charges referred to. It is true that the Secretary of State's accounts are annually published, but not in a form favorable to audit; and, though this Chamber are ready to believe, that the Secretary of State is invariably anxious to draw for as little, and in as profitable a manner, as possible, they must

record their conviction that in the absence of safeguards, such as are afforded with regard to other items of national expenditure, it may be fairly presumed that there is still room for economy, and for the profitable exercise of special experience. The recent intimation by the Government of India of their desire to be supplied locally, instead of from England, with a few comparatively unimportant manufactures, may be the prelude to a more general recognition by the Government of the importance of encouraging local industries; but there is room for apprehension that such a disposition to dispense with the products of England will dispose influential persons at home, who now regard India as one of their best customers, to place every obstacle in the way of such a change; and, with the list of Home Charges before them, this Chamber do not feel convinced that the interested views of such opponents may not assist in warping the judgment of the Council of India.

If, then, instead of essaying to give an arbitrary value to silver coins, the Government of India determine to do more to assist the country to assist itself, some of the evils from which commerce is now suffering would probably be removed by the increased prosperity of the country at large, resulting from decreased taxation, and the greater development of manufactures. The recent sudden stoppage of all but emergent public works throughout the country is nothing less than a sacrifice of the future in the hope of securing relief from the oppressive weight, not so much of exchange, as of the Home Charges. The probable effect on exchange of the reduction of those charges need not be suggested; but the effect on India could not but be beneficial; and commerce cannot fail to have its share of any increase in the prosperity

of the country. The causes of the depreciation of silver, and the prospects of that metal are questions upon which this Chamber decline to dogmatise; but they see no reason for difference of opinion as to the importance of probing thoroughly a fertile cause of financial embarrassment, whatever may be the value of that metal. This evil is one that admits of immediate and exhaustive investigation; and the recent assertion of paramount authority by the Secretary of State seems to indicate in what way, at the present time, the hands of the Government of India can best be strengthened by the Chambers of Commerce in this country and at home. That Government are held immediately responsible to Her Majesty's Government, and to public opinion at home and in India, for the state of this country's finances; and it appears to this Chamber that however desirable it may be that the Council of India should sanction proposals for new legislation, the Government of India should have as great a control over expenditure for India in England, as they have over local expenditure; and that in this respect the Secretary of State should act strictly as their financial agent, rather than, as he virtually now does, as an independent corresponding firm.

I have the honor to be,

Sir,

Your obedient Servant,

C. S. LAWSON,

Secretary.

To Chamber of Commerce, Madras.

Calcutta, 9th October 1876.

Your letter of 31st August having had the attention of the Committee of the Chamber I am instructed to express their thanks for the very full acknowledgment it conveys of the resolutions submitted for the consideration of the Government of India, and the opinions which your Chamber entertains of the measures suggested with the view to arrest the further depreciation of our legal standard and to protect the various interests which would be gravely affected by such continued depression.

Although those opinions are adverse to the views entertained by this Chamber, my Committee receive your criticisms in the same cordial spirit in which you have been good enough to express them, and their regret is that they have not succeeded in carrying your Chamber with them.

I am at the same time to explain that there is a misapprehension on your part of the purpose of the 2nd Resolution, for it was not intended that the Indian mints should be altogether closed—a measure which would no doubt have been attended with mischievous results—but that the obligatory clauses of the mint and currency Acts should be suspended at the discretion of Government. Nor did this Chamber advocate the prohibition of the import of silver; they only suggested that the mint and currency departments should not be bound to receive silver bullion for coinage except at the option of Govern-

ment. These points were fully enunciated in the Committee's letter of 22nd July, a reperusal of which is requested.

As to the imperative necessity for a rigid and vigilant economy in the expenditure by the Secretary of State of nearly one-third of the revenue of this country the Committee unreservedly concur in all that you advance; but they apprehend that vested interests at home are too strong to admit of an impartial scrutiny of the charges incurred and sanctioned by the Secretary of State unless the authority of Parliament is exercised to obtain an independent and trustworthy investigation.

From Chamber of Commerce Bombay, to Chamber of Commerce, Calcutta.

Bombay, 10th October 1876.

On receiving your letter of the 24th July last, with the proceedings of the Special General Meeting of your Chamber held on the 15th idem, my Committee immediately gave the same their most careful consideration, but they found themselves unable to support the second Resolution of your Chamber that clause 19 of Act XXIII of 1870, and also section 11 clause (6) of Act III of 1871, be temporarily suspended at the discretion of Government; and that during such suspension, or till further notice, it be not lawful to import coined rupees from any foreign part.

Feeling, however, that it was a subject on which there might be much diversity of opinion, they deemed it advisable to take the views of the Members of this Chamber upon it, and your letter of the 24th July, with the proceedings of the Special General Meeting of the 15th idem, were therefore circulated among them. The papers have only now been returned from circulation, and the majority of the members being decidedly opposed to the resolutions, the Committee are unable to support them; and as the Government has already given its decision, it is perhaps unnecessary to enter into particulars.

COUNCIL BILLS ON INDIA.

The Chamber's last Report contained the correspondence on this subject with the Government of India, and the following letter from the Secretary of State to the Governor General in Council closes the discussion.

Financial, No. 279.

To H. E. the Right Honorable the Governor General of India in Council.

INDIA OFFICE,

London, 13th July 1876.

MY LORD,

Para. 1. I have considered in Council your Financial letter, dated the 4th May 1876, No. 153, and the

papers therewith forwarded, relative to certain representations from the Bengal Chamber of Commerce, regarding the condition of the money market in Calcutta.

2. In their letter, dated the 19th April 1876, the Bengal Chamber of Commerce stated that the condition of the money market in Calcutta was such as to occasion the gravest apprehension; that in their judgment that condition was mainly attributable to the suspension of the bi-monthly drawings on the Indian Treasuries; that the uncertainty as to the measures which might be adopted by the "Secretary of State in "respect of his requirements, forbids calculations being "made with any degree of safety, obstructs the ordinary "course of business, and creates incalculable mischief to "all interests;" that in the Budget Statement the Finan- "cial Member estimated that the drafts on India would "realize only 1*s.* 8½*d.*, and that even a lower rate might "have to be accepted, thereby leading the public to be- "lieve that at such figures the Secretary of State would "sell his bills. Acting on such belief, the exchange "banks took no measures for the purchase of silver, or "other means of remittance, though their wants were "so pressing; instead, however, of adopting the Budget "rates, the Secretary of State arbitrarily adheres to a "higher exchange, causing thereby greater stringency "than ever;" that "to some extent, no doubt, the sus- "pension of a long continued practice has been justified "by exceptional circumstances; but it appears to the "Committee that the unfavorable conditions under "which the Secretary of State must negotiate his drafts "on India cannot be improved by a temporising policy, "and that it is due to those who have hitherto enabled

"him to finance with ease and facility, and to the mer-
"chants of India, whose operations contribute a consi-
"derable share of the public revenue, that they should
"be protected by the immediate declaration of a definite
"purpose, and freed from an irresolute and fluctuating
"procedure."

3. In attributing the condition of the money market in Calcutta to the suspension of the bi-monthly drawings, the Chamber of Commerce appear to have been imperfectly informed of, or to have overlooked, the circumstances attending the recent transactions in regard to bills on India.

4. During the autumn of 1875, and up to January last, the rates of exchange offered for bills ou India gradually declined to 1*s.* 9⅛*d.* the rupee, but the amout tendered continued to be very large.

5. Tenders were invited for Rs. 70,00,000 bi-monthly, and the tenders received were—

	Rs.
On the 3rd November 1875	... 4,63,80,000
„ 17th „ „	... 4,47,12,000
„ 1st December „	... 4,98,45,000
„ 15th „ „	... 7,14,30,000
„ 5th January 1876	... 5,23,10,000
„ 19th „ „	... 3,35,40,000

The lowest rate tendered on the 19th January being 1*s.* 9⅛*d.* Notwithstanding the unfavorable exchange, the full amount for which tenders were invited was accepted up to the last drawing in January.

6. On the 2nd February the total amount tendered was only Rs. 33,57,000, at rates varying from 1*s.* 8$\frac{15}{16}$*d.* to 1*s.* 8$\frac{1}{2}$*d.*, which was less than half the amount for which tenders had been invited.

7. It was obvious that a change in the requirements of commerce, a feeling of alarm as to the action of European Governments in relation to the currency, or as to the probable extent of the increased production of silver, had suddenly produced a serious disturbance in the demand for bills, which was calculated to exercise a very injurious effect in regard to the remittances.

8. Under these circumstances, the tenders on the 2nd February were not accepted, and the amount for which tenders were invited for the 16th of that month was reduced to Rs. 50,00,000. On that date, the tenders amounted to Rs. 1,83,24,000, but at lower rates of exchange, and none were accepted. On the 1st March the tenders amounted to Rs. 30,70,000. The rates offered, being still lower, were not accepted. On the 15th March the total amount tendered was Rs. 27,60,000 only, but at slightly improved rates, and three lacks were accepted. On the 5th April Rs. 43,00,000 were tendered, and, the rates being again lower, none were accepted, but the tenders on the 19th April having increased to Rs. 1,76,00,000, and being at better rates, tenders for 50 lacs were accepted, and on the 3rd May tenders were accepted for Rs. 48,10,000; after which date the amount for which tenders were invited was raised to Rs. 70,00,000 bi-monthly.

9. To whatever causes the disturbance in the demand for remittances, and the consequent effect on the money

market in Calcutta was attributable, it obviously was not caused by the rejection of tenders for bills on India, as the tenders were accepted for the full amount up to the end of January, when the total amount tendered, as already stated, suddenly fell from Rs. 5,23,10,000 tendered on the 5th January and Rs. 3,35,40,000 on the 19th January, to Rs. 33,57,000 on the 2nd February.

10. It might with more reason be urged that the disturbance, of which the reduction in the demand for bills was an evidence, was consequent on tenders being accepted for so large an amount as Rs. 1,40,00,000 a month, during the period when the rates of exchange were steadily declining.

11. The remittance to this country annually of so large a sum as 15,000,000*l.* to pay interest on money expended in India on railways and irrigation works, and for other purposes of Govermnent, to pay for stores annually required for India, charges for effective and non-effective services for British troops on the Indian Establishment, furlough and retired pay of Civil and Military Officers and servants of the Government, and other expenditure which must be defrayed from the Home Treasury, demands at all times much care in order to obtain the amount required on favorable terms; but at a time like the present, when the demand for remittances is influenced by a fall in the price of silver, by apprehensions as to the amount of silver which may at any moment be placed in the market by the German Government, and by the unfavorable state of trade, the difficulty of obtaining the required remittance is greatly increased; and I could not consent to undertake to accept

any tenders which might be made without reference to the rates of exchange offered, or the amount of bills for which applications might be submitted.

12. I request, therefore, that you will inform the Bengal Chamber of Commerce that, while the Secretary of State in Council is fully sensible of the importance of avoiding any measure which might increase the uncertainty in regard to the India exchanges, he cannot admit that any estimate made in connection with the Budget Statement of your Government, which had not been then forwarded to or considered by him, as to the rate of exchange which drafts on India might realize during the year 1876-77, ought to be regarded as an intimation that the Secretary of State would sell his bills at that rate, and that he must reserve to himself full liberty to take from time to time such measures as he may deem called for with reference to the state of the exchanges and the demand for bills on India.

I have the honor to be,

My Lord,

Your Lordship's most obedient, humble Servant,

SALISBURY.

Revision of the Consolidated Customs Act.

The Committee were unable to state in their last Report what action the Government would take in the matter of revising the Customs Act; they had again pressed the expediency of

amending it in a letter dated 7th February last, which appears at page 41 of previous Report ; but in July the Committee were informed, in reply, that the Lieutenant-Governor had recommended to the Government of India the appointment of a Committee to consider the question submitted by the Chamber.

Since then a Bill to amend the Act has been introduced into the Imperial Legislative Council, the necessity of a thorough amendment having been recognised ; and a Committee is now engaged in discussing the various provisions which the Bill contains.

CUSTOMS DUTY ON COTTON YARN.

The following letter from the Government of India is an answer to the Committee's representation of 13th May last—given in their previous report—in which they urged the abolition of duties levied on cotton yarn imported from Great Britain. The Committee pressed for this as a first instalment of relief to the trade in British cotton manufactures which was unquestionably and admittedly in need of it, and they trusted that the immediate removal of that portion of the burden would be followed by the total abolition of duties charged on the manufactured fabrics of Manchester and

other seats of similar industry in the United Kingdom.

With the view to satisfy the Government that their application for the free importation of British cotton yarn was based on grounds which could not be disputed, the Committee submitted statements of the exports of that article from Great Britain to India for the year 1875 and a closely estimated production during the same period of the mills of Bombay and Calcutta, exhibiting a result which placed the former at a seriously preponderating disadvantage with the latter. They also pointed to the fact that very large quantities of low counts of Indian yarn had been imported from Bombay, greatly in excess of previous receipts from that port, and which had displaced the consumption of British yarn to the extent of such importation and prejudicially influenced the prices ruling for the latter in the Calcutta market.

The protective character of the import duty and the mischievous results of its continued imposition were obvious ; and the Committee placed the bare facts before the Governor General in Council for His Excellency's favourable consideration.

It will be seen, however, that, although Her Majesty's Government confirm their already declared policy that the removal of the whole duty on imported cotton goods and yarn is subject only

to the ability of this country to bear the loss of the large revenue derived from that source, the financial position is not such as will admit of a present release of those staple imports from their contribution to the public treasury.

No. 496.

From Govt. of India to Chamber of Commerce.

Simla, 1st September 1876.

I am directed to acknowledge the receipt of your letter dated the 13th May 1876, representing on behalf of the Committee of the Bengal Chamber of Commerce that, in their opinion, some relief from taxation should be immediately given to the trade in imported cotton goods and yarn, and asking that a period may be fixed for the total abolition of the duties on these commodities.

2. The Governor General in Council gathers that the Committee advocate the immediate repeal of the duty on all imported twist, which they state amounted in 1875-76 to 8¾ lakhs of rupees.

Since your letter was written the Government of India have received a further despath from the Secretary of State for India in Council, No. 9, dated the 31st May 1876, in which the Marquis of Salisbury re-affirms the policy of Her Majesty's Government that, subject always to the paramount importance of guarding the Indian Treasury from embarrassment, the Government of India should look to the speedy removal of the whole duty on imported cotton goods and yarn. The mode in which

this policy should be carried out is left entirely to the judgment of the Governor General in Council, and it is admitted that under the circumstances of the present year no early progress towards the desired end can be expected.

3. It will be the duty of the Government of India to endeavour to give effect to the policy of Her Majesty's Government as quickly as circumstances will allow of its doing so.

The Committee of the Chamber will, doubtless, have perceived, since your letter was written, that the financial prospects of the current year are not such that the Governor General in Council could at the present moment forego any existing source of revenue; but the possibility of a reduction of the duties on the import of cotton goods and yarn will be carefully reconsidered when the financial arrangements of the coming year are made.

The Governor General in Council cannot indeed hold out the expectation that it will be in his power then, any more than now, to relinquish any existing revenue; but His Excellency in Council will duly bear in mind the views and wishes expressed by Her Majesty's Government on the subject of these duties.

SURVEY OF THE RIVER.

The circumstances connected with the grounding of the "Mahableshwar," as published in the Government Resolution of the 31st May last,

showed so imperfect a system of communicating prompt information to pilots of changes in the channels, as to induce the Committee to address the Government again most strongly on the subject of reform in this respect. The correspondence has led to the Committee being furnished by the Government with copy of an interesting report from a Committee appointed to consider the whole subject. This report embraces not only the immediate question of the survey of the river, but enters fully into the whole question of the management of the approaches to the port. The reforms it suggests are so important, and the economy in working so apparent, that the Committee of the Chamber confidently hope no further time will be lost in the recommendations being adopted by the Government. The report has already been under consideration for nearly 5 months.

From Chamber of Commerce to Govt. of Bengal, Marine Department.

Calcutta, 13th June 1876.

The Resolution of the Government of Bengal regarding the grounding of the ship *Mahableshwar* as published in the *Calcutta Gazette* of 31st May, has attracted the notice of the Committee of the Chamber of Commerce.

The Committee fully recognise the hardship inflicted on the owners of that vessel in having so heavy a disbursement forced on them unnecessarily; a disbursement, they would add, that might have been avoided by the exercise of the simplest common sense on the part of the Government officials.

They desire me, however, to direct your attention to what they consider two serious defects of management on the part of the marine authorities as brought to light in this Resolution.

In the first place, it would appear from the wording of the Resolution that the Government consider it no part of the duty of the Master Attendant to examine the charts sent to his office unless his attention is specially drawn to them by his subordinate officer, the marine surveyor. In this particular instance, as his attention was not particularly called to the alteration in the Rungafulla channel, he is exonerated from all blame in having passed on the chart to be photozincographed "as usual" without any examination; while the surveyor "hitherto honorably distinguished by vigilance" is held to "have committed a grave neglect of duty." This censure may be, and no doubt is, just; but the Committee feel that equal and even heavier censure should have been passed on the Master Attendant. He is the principal marine officer of the Government of Bengal, and has charge of all the approaches to the Port; and it seems to the Committee that he cannot divest himself of one inseparable part of the duty attached to such charge, *viz.*, to keep himself fully informed of all changes in these approaches as they occur; nor ought he to endeavour to screen himself be-

hind the *laches* of the surveyor. The surveyor is blamed, and perhaps rightly so, for having omitted specially to notice this one important alteration.

The circumstances as detailed in the Resolution disclose such a lax system and so little appreciation of the duties required of them as to reflect no credit on those officers. Such a state of things would not be tolerated in any other British port, and the matter is one that in the opinion of the Committee requires the interference of Government.

The next point is one that has apparently escaped the notice of the Lieutenant-Governor, but to which the Committee would desire to draw His Honor's attention.

The surveyor it seems finished and despatched his chart on the 8th January, but it did not reach the Master Attendant till the 13th. Considering that Mud Point is only a day's dâk or steam from Calcutta it is unaccountable how there should have been a delay of five days in this chart reaching the Master Attendant, and the Committee feel confident His Honor concurs with them in requiring explanation on this point, as well as a reason why the telegraph was not used for communicating the change.

On referring to the shipping lists the Committee find that between those two dates the river was crowded, more than is usually the case, with ships and steamers on their way up and down, among them several heavily draughted men of war: and the only wonder is that this accident is the only one reported, and that there were not several others of a more serious nature.

As far back as October 1872 the Committee brought to the notice of Government the inefficient manner in which the survey of the river was conducted: the subject was again pressed on their attention in 1874 and 1875; and the last the Committee heard of it was that a scheme had been forwarded for the favorable consideration of the Government of India: and they will be glad to learn the result of their application—now four years old.

A copy of this letter will be sent to Messrs. Lyall, Rennie and Co., to be forwarded to the owners of the *Mahableshwar*.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 19th June 1876.

General Department.
Marine—No. 1719.

In acknowledging the receipt of your letter dated the 13th instant, regarding the grounding of the ship *Mahableshwar*, I am directed to point out that the wording of the Government Resolution, published in the *Calcutta Gazette* of the 31st May, does not appear to have conveyed the facts of the case with entire accuracy to the apprehension of the Committee of the Chamber.

2. It is the duty of the River Surveyor, when any change occurs in the navigating channels of the river, to send a sketch and a report of the Master-Attendant for communication to the Pilot Service. In the present instance Mr. Laycock unfortunately neglected this duty. A material change in the Rungafulla channel was brought to

his notice, but the usual sketch and report were not sent to the Master Attendant.

3. From time to time, such changes as have occurred in the channels, and have been reported in the manner referred to above, are embodied in charts, which are forwarded by the River Surveyor to the Surveyor-General, through the Master Attendant's office for reproduction by photo-zincography. It is no part of the Master Attendant's duty to scrutinize these charts. It is distinctly understood that nothing will appear in the chart which has not already been the subject of a special sketch and report.

4. It follows from this that the charts are not matters of such special urgency or importance as to require transmission by special massenger, or telegraphic intimation of their contents. They are subsidiary documents, embodying and recapitulating information which has already been communicated. In this case, the river survey vessel (the *Kedgeree*) by which the chart would in ordinary course have been forwarded happened to be absent on duty at the Sandheads, and the River Surveyor accordingly sent the packet on board the pilot brig, with a request that it might be sent up to Bankshall by the first inward-bound vessel. If the River Surveyor had done his duty by reporting the change in the usual manner, the delay of a few days in the transmission of the chart to the Master Attendant's office would have been of no importance whatever.

5. With regard to the concluding paragraphs of your letter, I am to explain that the reorganization of the Hooghly Survey Service has, for some time past, been the

subject of correspondence between this Government and the Government of India, and I am to forward, for the information of the Chamber, the accompanying copy of a Resolution dated the 2nd May, appointing a Committee to consider and report upon the whole subject. It is hoped that the report of the Committee will very shortly be in the hands of the Government, and the final recommendations of the Lieutenant-Governor will be submitted for the approval of the Government of India with as little delay as possible.

RESOLUTION.

Calcutta, 2nd May 1876.

General Department.
Marine—No 1313.

READ

Letter No. 204, dated 1st March 1876, from the Government of India, Department of Revenue, Agriculture, and Commerce, with enclosures, suggesting the appointment of a Committee to consider the question of the re-organization of the Hooghly Survey Service.

On the suggestion of the Government of India, the Lieutenant-Governor has been pleased to appoint a Committee, consisting of the gentlemen named in the margin, for the purpose of enquiring into, and reporting on, the question of the re-organization of the Hooghly Survey Service.

Colonel C. T. Stewart, R. E., Superintending Engineer, North-Western Circle. — President.

Commander A. D. Taylor, Superintendent of Marine Surveys to the Government of India.
F. Laycock, Esq., River Surveyor.
W. D. Bruce, Esq., C. E. Vice-Chairman, Port Commissioners. — Members.

The Committee shall assemble in Calcutta on, or as soon as possible after, the 25th May 1876, and shall submit their report to Government as early as practicable.

(1.) Report of the Committee appointed in 1854 to enquire into the state of the river Hooghly (return requested.)
(2.) Report upon the establishments and vessels of the Indian Marine by Rear Admiral Sir W. R. Mends (return requested.)
(3.) Marine Proceedings, February 1871, Nos. 42-44.
(4.) Marine file 124 of 1874, Nos. 6-11.
(5.) Marine file 62 of 1875, Nos. 1-6.
(6.) Marine file 141 of 1875, Nos. 1-3, 10-11, 12, and 14.
(7.) Marine file 19 of 1876, Nos. 1-16 and 19-32.
(8.) From Port Commissioners, No. 99, dated 18th April 1876.

2. A copy of the correspondence noted in the margin, on the subject will be forwarded to the President for the information of the Committee, with the intimation that the Lieutenant-Governor will be glad to furnish the Committee with any other papers which may be in the possession of this Government, and which will be likely to aid them in their enquiry.

3. The return of the original papers is requested when no longer required.

By order of the Lieutenant-Governor of Bengal,
H. LEE,
Acting Asst. Secy. to the Govt. of Bengal.

COPY forwarded to Colonel C. T. Stewart, R. E., to F. Laycock, Esq., and to W. D. Bruce, Esq., C. E., for information.

COPY, with copy of endorsements, forwarded to the Public Works Department of this Government, to the Officiating Deputy Master Attendant in charge, and to the Port Commissioners, for information.

By order of the Lieutenant-Governor of Bengal,
H. LEE,
Acting Asst. Secy. to the Govt. of Bengal.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 11*th August* 1876.

I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter of the 10th June.

They are glad to find that the Master Attendant was not to blame, and that the censure they passed on him arose from a misconstruction of the Government resolution. They therefore willingly withdraw that portion of the letter.

I am requested however to ask you to favor them with further information as to the mode in which intelligence is conveyed to pilots of any changes in the principal channels of the river. As far as the Committee can gather from the Government resolution and your favor under reply, it would appear that no use is made of the telegraph, but that reports of changes are sent by the slow, old-fashioned post, or by boat. This information, though late, would be useful to pilots of vessels on the point of leaving Calcutta, but the Committee do not find any information as to how intelligence is conveyed to inward bound vessels.

They would also esteem it a favor if you can assure them that proper steps are taken to keep pilots of vessels, already on their way up or down, duly informed of these changes. As the pilot of the *Mahableshwar* was apparently ignorant of this particular alteration in the channel, inasmuch as the Government have acquitted him of all blame, the Committee fear vessels in this position are left very

much to take their chance. Whether this be so or not, it is clear that intelligence is not conveyed quick enough, considering the enormous traffic on the river, and they cannot too strongly urge on Government the necessity of adopting measures that will ensure the immediate receipt of intelligence by the Master Attendant, by pilots of ships on the way at the time, and by the pilot brigs at the Sandheads.

The navigation of the Hooghly is already dangerous enough, and ships, with their valuable cargoes, and still more valuable lives, should be protected from all unnecessary and avoidable risks.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 21*st August* 1876.

With reference to the Lieutenant-Governor's Resolution of 2nd May last under which a Committee was appointed for the purpose of inquiring into and reporting upon the question of the reorganisation of the Hooghly Survey Service, and as the Committee were directed to assemble on, or as soon as possible after, the 25th of that month, probably their Report has been sent in; and His Honor will much oblige the Chamber with a copy of it, if he sees no objection to its being furnished.

No. 2341.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 23*rd August* 1876.

General Department.
(Marine.)

With reference to your letter, dated 21st August 1876,

I am directed to forward herewith a copy of the Report of the Committee who were appointed to consider the question of the reorganization of the Hooghly Survey Service, and to state that the report is now under the Lieutenant-Governor's consideration.

Report of Committee assembled with reference to the Bengal Government Resolution No. 1313 *of the* 2nd *May* 1876, *to consider the question of the reorganization of the Hooghly Survey Service.*

PRESIDENT :

COLONEL C. T. STEWART, R. E., Superintending Engineer, N.-W. Circle.

MEMBERS :

COMMANDER A. D. TAYLOR, Superintendent of Marine Surveys to the Govt. of India.

F. LAYCOK, ESQ., River Surveyor.

W. D. BRUCE, ESQ., C. B., Vice-Chairman, Port Commissioners.

1. The Committee feel that whatever may be the conclusions at which they arrive as to the best kind and amount of plant required for the purpose of carrying on a scientific survey of the river Hooghly, such plant cannot possibly be prepared, either here or in England, soon enough to meet the pressing demand for instantaneous action; so they deem it the right course to take to adapt present means, as far as possible, to what is wanted.

2. With this view the Committee have drawn out a

statement showing the possible modification of existing vessels, which may be effected between the present time and November next, when field operations should commence.

3. The Committee find that at present the quantity and quality of the work, as well as the rapidity with which it is performed, fall far short of the real demand, but that the following establishment is employed :—

SUMMARY.

	Per annum. Rs.
Surveyor's vessel	21,574
Assistant Surveyor's vessel	10,452
Row-boats	9,732
Buoy-vessel	16,668
Tidal semaphores	1,438
Stores and repairs of surveyors' vessels ...	22,044
„ „ „ boats ...	10,368
„ „ of buoy-vessel	24,000
„ „ of channel buoys and moorings	12,000
Total	1,28,276

Details of the foregoing will be found in appendix A.

4. The Committee understand that, as a temporary measure, and until a suitable vessel can be procured, the Government steamer *Nemesis* can be made over to the Survey Department, and on this assmption recommend that the following scale of establishment should be sanctioned from the 1st of November next. Details of this establishment will be found in appendix B :—

	Rs.
A Conservator in charge of surveying, buoying, and lighting	15,000
Office establishment	3,768

The Government steamer (paddle) *Nemesis* for the use of the River Surveyor		54,540
The *Dolphin*, the present buoy vessel, to be kept on...		23,712
A steam-launch (in place of the *Marie*, a wooden schooner of 70 tons) for the use of the Assistant River Surveyor		4,020
Tidal semaphore and sounding stations ...		7,606
Two surveyors at Rs. 450 each per month ...	For survey from Diamond Harbour to Nuddea.	10,800
Two native surveyors at Rs. 100 each per month		2,400
Thirty chainmen at Rs. 8 each per month .		2,880
Two famine steamers		8,400
Repairs of buoys and moorings		12,000
Total cost of establishment for the year ...		1,45,126

or Rs. 16,850 over and above the cost of the present establishment; but the scope of the Conservator's operations is to extend to Nuddea, far above Calcutta, and the proposed estimates are to cover the cost of making a regular scientific survey of the river. In the course of the scientific survey, the number of tide-gauges, tidal semaphores, and wooden beacons will be increased, and pucka bench-marks will have to be established along the river shores; so that temporary tide-gauges may be erected at any spot for the accurate reduction of periodical soundings taken sectionally there. The expense of these marks will not be great, and may be considered as included in present estimate under the head of new tidal semaphores and new beacons and buoys and moorings.

5. CONSERVATOR.—It appears to the Committee that it would be a desirable arrangement if all the duties connected with the conservancy of the river were placed

under one control, instead of being distributed amongst several parties, as at present. The Conservator would prepare and correct the general charts of the river from the periodical local surveys sent in by his assistants.

Under the head of "the River conservancy," and which we propose should now be placed under an officer specially qualified to superintend the survey now to be carried out, may be comprised the following branches of the Marine Department :—

(*a.*) The River Surveying Department, with its various duties.

(*b.*) The light-houses and light-vessels of the river and its approaches.

(*c.*) The houses of refuge on the sea face of the Soonderbuns.

(*d.*) The Wreck and Anchor Department.

(*a.*) At present the duties of the River Survey Department are restricted to the surveying, marking, and buoying the various channels between Calcutta and the pilot station at the Sandheads; the publication of information as to the state of the channels, bars, &c., for the guidance of pilots; the superintendence of the different tidal and daily surveying stations and their establishments; the care of the river beacons, &c., and the compilation of tide tables and other necessary records. The Committee would bring to notice that there are several self-registering tide-gauges kept by the Executive Engineer of the Northern Drainage and Embankment Division, and recommend that these should be placed under charge of the Conservator, to whom reference could at any time be made by

other departments if requiring any information regarding them.

(*b.*) *Light-houses and Vessels.*—These have hitherto been under the entire control of the Master Attendant's Department, and, with the exception of suggesting suitable stations for them, and noting their position on the charts, the River Surveyor has had nothing to do with them. If a special officer is appointed as Conservator, under whom the River Surveyor would work, then the Committee would recommend the light-vessels being placed under his charge. The River Surveyor recommends that fixed moorings should be laid for the light-vessels in the Gasper Channel, to which the Committee can see no objection.

(*c.*) *Houses of Refuge.*—These, until recently, were under the superintendence of one of the officers of the Master Attendant's Department, and were regularly inspected, repaired, replenished, and visited after cyclones by him; but owing to a reduction of the Master Attendant's staff, these duties have devolved on the River Survey Department, and appear of late years to have been neglected, for the River Surveyor writes of them as follows :—

"More effectual measures than are now in practice could be adopted for rendering the houses of refuge what they should be, of replenishing and repairing them, and preventing their being indiscriminately plundered, as they have been for years past. In their present state there is every probability of the very cause that would put their services in requisition being the means of blowing them down and rendering them useless." The Committee recommend that measures should be taken to place these houses of refuge in a more satisfactory condition.

(*d.*) *The Wreck and Anchor Department*—the duty of which is to recover lost anchors and remove obstructions caused by wrecks of sunken boats, vessels, &c.—has hitherto been superintended by an assistant of the Master Attendant; but the duties, the Committee consider, ought to be more effectually supervised by the proposed Conservator, whose assistants in the survey will be continually moving up and down the river; so they recommend that the *Vulcan*, the vessel at present employed on the duty, should be placed under his care and direction. The Committee strongly recommend that this vessel should not be employed except on its own legitimate duty, which is a very important one, and, if properly attended to, she would not be available for any other work. This remark is made as the "wreck and anchor" duty has been neglected in consequence of the *Dolphin* being sometimes employed at out-ports, when the *Vulcan* then has had to do her work. The *Vulcan* makes no difference in the calculations for the cost of establishment, as she pays her own way from what she realizes from the recovery of lost anchors.

6. "NEMESIS."—The *Nemesis*, proposed for the use of the River Surveyor, is a paddle-steamer of 660 tons. She is slow, her average speed being about 7½ knots per hour, and consumes an immense quantity of coal, or 7 tons per diem of 12 hours instead of 3½ tons. Therefore she is not a vessel the Committee would have chosen if they had any choice; but she is reported as being able to do the work required of her for the next two or three years, when the Committee hope that a suitable steamer, built for the purpose, will have been procured from England. If the Engineer of the Dockyard, after examining the *Nemesis*, consider she is sufficiently strong,

a majority of the Committee consider that she might at once be fitted with buoy-davits abaft (as the *Dolphin* is fitted), and would thus be able in fine weather to carry and by herself to lay down one second or third-class buoy at times when it would be inconvenient to detach the *Dolphin* from her regular work. This fitting would involve the strengthening of the plates in the vicinity of the davits by wooden sheathing, or otherwise, as builders might determine best. An expenditure of some Rs. 5,000 in this manner would, in the Committee's opinion, prove valuable, and a tentative measure by which the River Surveyors would be enabled to gather practical knowledge of the advantages and requirements of a *steam buoy-vessel and surveying vessel combined.* With such an appliance the vessel would hoist a small steam-cutter on one side and a buoy on the other.

7. "DOLPHIN."—The *Dolphin*, the present buoy-vessel which was substituted for the *Grappler* some months ago on the latter being condemned, is a strong little vessel, well adapted for the work required of her, but she is rather small. However, the Committee consider that she will answer very well at present, with the assistance of the steamer when necessary. At present there is a commander and two officers in the *Dolphin*, but the Committee propose taking one officer out of the *Dolphin*, because her present establishment is kept up in view of her being occasionally sent away to conduct the buoyage at Chittagong, False Point, and some intermediate ports. The Committee recommend that the *Dolphin*, when not in use, should be anchored in the creek at Diamond Harbour, where her establishment would be made the most use of.

8. STEAM-LAUNCH.—A steam-launch is required for the use of the Assistant River Surveyor. She should be able to go in rough weather beyond Diamand Harbour, and it is recommended that the most suitable vessel of the sort procurable should be obtained for immediate use. The duties of this launch will be, taking soundings on narrow and shallow places where the larger steamer cannot be used; also as a general despatch boat and tender for speedy communication with vessels, telegraph stations, post office, &c., and any other purposes where speed and economy of fuel are necessary.

9. FAMINE STEAMERS.—There are three or four out of use, and one of them might easily be altered, the same as already has been done for No. 10, to adapt it for the use of the surveyors above Diamond Harbour, at but a trifling cost. The monthly expenses are calculated from what similar steamers cost in the port.

10. With the revised establishment for the tidal semaphore and sounding stations, the present establishment is disposed of, and the following vessels will be dispensed with:—

The *Kedgeree* ... Used by the River Surveyor.
The *Marie* ... Ditto Assistant Surveyor.
Boat *Leadsman*.
Dâk Boat.
No. 4 Row-boat.
No. 6 Row-boat ... Paid by Master Attendant, and can be struck off if not required by him.
No. 10 Row-boat.
No. 11 Row-boat.

11. The Committee propose to divide the survey of the river into two sections,—one from Diamond Harbour to the Sandheads, including the "James and Mary Sands;" and the other from Diamond Harbour upwards, as far as the survey may extend. The *Nemesis*, *Dolphin*, and steam-launch, with their establishments, are for the lower part of the river. The two famine steamers, of which No. 10, now in use by the River Surveyor, might be one, with surveyors and chainmen, are for the upper portion. In determining the number of surveyors required, the Committee have been guided by information received from the Revenue Survey Office. They can obtain from that office a correct outline of the banks of the river, with bench-marks all along, and levels along portions of it for almost as far up and down the river as necessary; but there is yet a great deal of information to be obtained, for which the establishment applied for is required. After the primary scientific survey is completed, the Committee consider that one steamer, with one surveyor and an assistant, with five chainmen, will suffice for the upper section above Diamond Harbour.

12. PROPOSED PERMANENT ARRANGEMENTS.—The foregoing propositions are what the Committee recommend should be at once sanctioned to place the Survey Department on a more efficient footing, and to carry out a scientific survey of the whole tidal basis of the Hooghly.

13. NEW STEAMER FOR SURVEY AND BUOYAGE.—In paragraph 6 it has been pointed out that the *Nemesis* is not a vessel which they would recommend to be employed permanently on the survey, as she has already been condemned as a sea-going vessel, and is ill-adapted for use

as a buoy-vessel. The duties of a buoy-vessel may be placed under two heads. First, lay down new buoys, shifting buoys, and replacing damaged ones. For this purpose a steam-vessel is urgently required, as the work is of so important a nature that it should be done with the least possible delay. The present arrangement is for the River Surveyor to mark out the position of the stations by what is called a "nun buoy;" and then the *Dolphin* comes leisurely along and fixes the buoys—a most unsatisfactory way of doing the work, as it necessitates both the River Surveyor's vessel and the *Dolphin* being employed and causes great delay, which means increased risk to life and property. The second duty, overhauling and painting the buoys, which consists in lifting them out of the water with their moorings, carefully examining, making all necessary repairs, and painting them. At present the *Dolphin* does this work. But the Committee considered that, when the new steam buoy-vessel arrives, the *Dolphin* may be dispensed with, as, during the three fine months of the north-east monsoon the two steam-launches will suffice to do all the outer sounding work, and the steam buoy-vessel can with her special appliances then be employed in overhauling and repairing the moorings. In case of the steam buoy-vessel having to come to Calcutta for repairs, or from any other cause not being available for the above work, the *Dolphin* might then be sent down in tow of the large steam-launch to do the work, a portion of the crew of the steamer being put on board of her for this purpose.

14. The Committee therefore recommend that a screw steam-vessel should be built for the use of the River Surveyor of 300 tons, fitted with high and low pressure

condensing engines, so as to obtain the utmost speed with the least possible consumption of coal ; fitted with all appliances for buoy work; capable of taking out a first-class buoy in rough sea, or of carrying a couple of second-class buoys when necessary. It should have accommodation sufficient for the number of officers and natives as shown in Appendix C as the establishment for the vessel ; she should have a chart-room on deck, and one of her boats ought to be a steam-launch, similar to those in the Royal Navy.

15. In paragraph 8 the Committee have recommended that a steam-launch should be provided for the use of the Assistant River Surveyor; but as it is not probable that a vessel specially adapted can be procured, a new steam-launch should be constructed for the special duties mentioned in paragraph 8. She should be a boat of between 30 and 40 tons, and of such a build that she could be used between Diamond Harbour and the Sandheads in rough weather, independent of the River Surveyor's steamer.

16. The cost of the vessels recommended above, and of one of the two famine steamers which we propose to retain permanently, we estimate would be as follows :—

	Rs.
Steamer for survey and buoyage supplied with small launch	1,60,000
Large steam-launch	25,000
Famine steamer	15,000
Total ...	2,00,000

17. When the new steamer is ready, and the primary

sectional survey complete, the annual cost of establishment will be as follows. The details are given in appendix C :—

	Rs.
Conservator	15,000
Office establishment	3,768
Steam buoy-vessel and River Surveyor's vessel combined	53,100
Steam-launch	5,460
Tidal semaphore and sounding stations	7,606
Repairs of buoys and moorings	12,000
Establishment at depôt Diamond Harbour ...	1,128
1 Famine steamer	4,200
1 Surveyor	5,400
1 Native Surveyor	1,200
5 Chainmen	480
Interest on capital debt	12,214
Depreciation	10,000
Total —	1,31,556

This shows only an increased annual expenditure of Rs. 3,280 over present cost, but with a very much more efficient establishment, including interest on outlay and depreciation of stock, which is not taken in the account in the Rs. 1,28,276,* the present yearly expenditure. Without interest and depreciation the total is Rs. 1,09,342.

* The Committee would here bring to notice that this amount appears to have been taken from the accounts for 1873-74. But from later official returns received by the Port Commissioners from the Accountant-General, the actual annual expenditure for 1872-73, 1873-74, and 1874-75 was as follows :—

Years.	Establishment.	Store.	Repairs and renewals.	Total.
	Rs.	Rs.	Rs.	Rs.
1872-73 ...	65,706	46,474	27,382	1.39.562
1873-74 ...	49 053	42,882	36,775	1,28,710
1874-75 ...	57,863	66,905	38,278	1,63,047

This gives an average of Rs. 1,43,773 per annum, or Rs. 12,217 in excess of the establishment now proposed.

18. In some of the reports which have already been before Government there has been a recommendation that the River Surveyor should make Diamond Harbour his head-quarters ; so the Committee have carefully considered the subject, and have even visited the place, so as to be able the better to form an opinion. Whereas formerly it was most desirable that Diamond Harbour should have been the head-quarters, with the introduction of steam-vessels there is not the same necessity ; but if River Surveyor is furnished with a steamer such as recommended, he should be induced to make Diamond Harbour his head-quarters as much as possible when not employed on survey duty, being in the very centre, or nearly so, of all his work. There is a nice creek at Diamond Harbour where his steamer can be safely and comfortably moored, and close by is the Public Works bungalow, which is used as a dâk bungalow, and might be made available for the Survey Department free of rent, with the understanding that one of the rooms should always be made available for the Public Works Department officers when requiring it, or for the use of a traveller. The Assistant River Surveyor could carry on his duties quite independently of the River Surveyor's steamer in the new launch as proposed, with Diamond Harbour as his head-quarters.

19. The Committee recommend that a depôt should be established on the bank of the Diamond Harbour creek for coals, buoys, and moorings ; it will be found most useful, and will no doubt be a saving in the end. A small outlay will be necessary to prepare the site to construct a small jetty from which the coal, &c., can be put on

board the steamers, and a place for the establishment to live in, which in the first instance need only consist of—

	Rs.
A Baboo on Rs. 30 per month	30
Two durwans or chowkidars at Rs. 7	14
Contingencies to meet cost of coaling, &c. ...	50
Total monthly cost ...	94

20. If the tide-gauge is placed under the Conservator, as proposed in paragraph 5, then the Baboo employed on it, who receives Rs. 15 a month, might get the berth in the depôt at Rs. 25 or Rs. 30, and do both the duties.

It may be found more economical to have a small establishment kept up at Diamond Harbour for the repair of buoys, &c., instead of sending them, as at present, all the way up to the Kidderpore Dockyard for the slightest repairs. The Committee do not recommend the arrangement, knowing the objection there is to multiplying establishments; yet they consider it a point worthy of consideration, and recommend that it should be left to the Conservator to decide whether he can get the work done equally as well at Diamond Harbour without materially increasing the cost. In calculating the cost, the pay of a row-boat should be taken into consideration, as one of them would be continually employed taking buoys backwards and forwards to Kidderpore for repair. The Committee would bring to notice that Rs. 12,000 have been allowed in the estimates for the repairs of buoys and moorings. The question merely is whether the repairs

shall be executed at the Kidderpore Dockyard or Diamond Harbour.

C. T. Stewart, Colonel, R.E., *President.*
A. D. Taylor,
William Duff Bruce,
F. Laycock,
} *Members.*

NOTE.—I have signed this, but with reference to paragraph 13, I think it will be necessary to keep the *Dolphin* in Calcutta as a stand by, in the event of any accident happening to the steam buoy-vessel or other emergency.

F. L.

No. 2033.

COPY (report with appendices) forwarded to the Officiating Deputy Master Attendant in charge, with the request that the Lieutenant-Governor may be favoured with an early expression of his opinion on the proposals of the Committee.

No. 2034.

COPY (report with appendices) forwarded to the Port Commissioners, with a request that the Lieutenant-Governor may be informed whether the Commissioners concur in the recommendations of the Committee.

By order of the Lieutenant-Governor of Bengal,

H. H. RISLEY,

Acting Asst. Secy. to the Govt. of Bengal.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 24th October 1876.

The attention of the Committee of the Chamber of Com-

merce has been drawn to a communication in "The Statesman," newspaper of yesterday regarding the state of the river where the steamer "*Cawdor Castle*" was lost on the 7th instant.

Although that communication is anonymous and unauthenticated it nevertheless publicly declares that the river surveyor knew nothing of the state of the channel, and either impliedly charges that officer with gross neglect of duty or else affords, if the statement be true, another instance of the utter uselessness of the present system of survey. The Committee therefore consider it imperative that they should bring the matter officially to the notice of Government in order that the Surveyor should have the earliest opportunity of vindicating his conduct and of satisfying the Government that his survey of the channel in question has been made with every degree of accuracy which it was his duty to determine; and that for the loss of life and property recently sustained he is no way responsible.

This lamentable occurrence is a superadded illustration to the numerous casualties in the river of the paramount necessity for placing the survey service on the most efficient footing, and introducing such amendments of the present system as may be called for by the exigencies of the increasing commerce of the Port, and—to use the words of the Survey Committee in their late report to Government—"to meet the pressing demand for instantaneous action:" and the Committee of the Chamber of Commerce trust that this present renewal of their oft repeated representations for four years regarding the river and the most effectual means of maintaining its channels

in a securely navigable condition will engage the attention of His Honor the Lieutenant-Governor.

P. S.—The letter referred to is affixed for convenience of reference.

MARINE SURVEYS.

Further correspondence on this subject has taken place, but as yet with no better result than before. The matter has been constantly brought to the notice of Government for four years, and we are still without any legislative enactment to correct what the Government themselves allow to be a disgrace to our port. As far back as May of last year a strong representation was made to the Government of India by the Bengal Government, but the matter remains in abeyance, for no other apparent reason than a mistaken notion that it should form part of a comprehensive new Merchant Seamen's Act. It has been more than once pointed out to the Government that there is no necessary connection between the two; successive Committees of the Chamber have pressed for a short local act; for four years this simple remedy has been denied; unseaworthy ships have been allowed to leave the port; and the Government of India look on complacently.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 11th July 1876.

The attention of the Lieutenant-Governor has been drawn to a remark at page 11 of the Proceedings of the Half-yearly General Meeting of the Bengal Chamber of Commerce held on the 31st May last, prefixed to the printed report of the Committee of the Chamber. The Vice-President, who was Chairman of the meeting, stated that on the question of marine surveys the Committee had nothing satisfactory to report; as the matter had remained in abeyance, pending the consolidation and amendment of the Merchant Seamen's Act, and that a communication from the Chamber urging immediate legislation had met with no response.

2. It is presumed that the communication referred to is your letter to Government, dated the 15th January last, and, with reference to this, I am to point out that it has already been explaind to the Chamber that the recommendations of the Government of Bengal on this question were laid before the Governor-General in Council in December 1873, and I am to add that among the papers then submitted to the Government of India was your letter of the 5th November 1873, which embodies the recommendations both of the Chamber of Commerce and of the Commissioners for the Port of Calcutta. It will probably be thought that legislation on such a subject as that of marine surveys could not suitably be initiated in the Bengal Local Council, and that any action which it might be determined to take would have to be taken by the Supreme Government.

3. It is not clear whether the Committee of the Chamber accept the opinion expressed by their Vice-President that there is no immediate connection between the questions of passing an Act for the survey of ships and of amending the law relating to merchant seamen. But it is to be observed that the Act of the 38th and 39th Vic., Chapter 88, which gives further powers to the Board of Trade for stopping unseaworthy ships, may be cited as the Merchant Shipping Act, 1875, and is to be construed as one with the Merchant Shipping Act of 1854, and with the subsequent Act amending the same.

4. With reference to the remark that the question of marine surveys had remained in abeyance up to the date on which the meeting of the Chamber was held, I am to request attention to this office memorandum No. 120, dated the 17th January last, and to the reply from the Chamber, dated the 8th February, on the subject of the modifications necessary for extending the Merchant Shipping Act of 1875 to British India. This correspondence is referred to in the report of the Chamber, and the recommendations of the Government of Bengal were submitted to the Supreme Government in my letter No. 1496, dated the 23rd May 1873, a copy of which is herewith annexed for the information of the Chamber. It appears to the Lieutenant-Governor that, under these circumstances, the remark that the question of marine surveys had remained in abeyance required some qualification, and that the non-receipt of any direct reply to your letter of the 15th January was sufficiently explained by the fact that an expression of the opinion of the Chamber had been invited on a communication from

the Government of India which had an important bearing on the question.

5. The Lieutenant-Governor desires me to assure the Committee of the Chamber that the suggestions and recommendations of the Chamber of Commerce invariably receive the fullest consideration from the Government of Bengal.

From Govt. of Bengal to Govt. of India, Dept. of Revenue, Agriculture, and Commerce.

Calcutta, 23rd May 1876.

I am directed to acknowledge the receipt of your letter No. 429, dated the 28th December 1875, and to say that the Lieutenant-Governor, after consulting the Chamber of Commerce, the Master Attendant, the Board of Revenue, and the Commissioners of Chittagong and Orissa, desire to submit the following suggestions for the consideration of His Excellency the Governor-General in Council.

2. The question of the necessity of establishing a system for the survey of cargo vessels of the mercantile marine has been discussed in detail in the papers submitted with the letters noted on the margin, from this office to the Government of India, in the Department of Revenue, Agriculture, and Commerce. The subject has again been brought to the notice of the Lieutenant-Governor in two letters recently received from the Vice-Chairman of the

No. 4579, dated the 31st December 1873.
No. 1304, dated the 23rd April 1875.

Port Commissioners, reporting the particulars of some vessels which went to sea from Calcutta during the month of March in a dangerously overloaded state, and urging the necessity of having a competent and final authority to pronounce whether or not a ship is overladen or otherwise unseaworthy.

3. The Lieutenant-Governor fully concurs in this representation, and desires to recommend that the provisions of the 1st, 2nd, and 4th sections of the 38th and 39th Vict Chap. 88, should be extended to British India, with the following modifications, which have been suggested by the Bengal Chamber of Commerce.

(*a.*) That the words "Commissioners for the improvement of the Port of Calcutta" be substituted for the words "Board of Trade" wherever the latter occur.

(*b.*) That the appointment and remuneration of fit and proper persons having authority to detain unseaworthy ships shall be made by the Port Commissioners, who shall have power to revoke such appointment from time to time as they may think fit.

(*c.*) That a vessel may be detained not only on complaint by one-fourth of the crew, but also upon the authority of the Port Commissioners, if, in their judgment, detention is justifiable, though no complaint or application may have been made. There should, however, be a penalty applicable to cases of

proved conspiracy or wrongful detention, in order that wilful or malicious detention may be punished.

4. The Bengal Chamber of Commerce apparently wish the whole Act, with the above modifications, to be applied in India to all vessels, including native-owned sea-going craft. The Lieutenant-Governor has considered how far it is necessary to introduce into India those sections of the Act which refer to the marking of deck-lines and load lines : and he is inclined to agree with the Shipping Master of Calcutta, and the Member in charge of the Miscellaneous Department of the Board of Revenue, that the object of the law will be sufficiently attained by enforcing only the 1st, 2nd, and 4th sections of the Act. Section 4 would require some verbal modifications by the omission of the words "British" and "United Kingdom."

5. The above remarks apply to vessels going to sea from the port of Calcutta. For the Orissa ports and Chittagong, the Conservator of the port should be the officer to be appointed under the Act. The Commissioner of Orissa remarks that many of the country sloops and dhonies plying along the coast are in a notoriously unseaworthy condition. In a case recently heard by the Collector of Cuttack, it came out in evidence that in one of these vessels the pumps had to be kept going for twelve hours out of the twenty-four, in order to keep her afloat. Another case lately occurred at False Point, in which a dhonee from Akyab bound to Negapatam put into False Point port leaking badly ; the crew preferred a complaint to the Harbour Master, who insisted

upon the dhonee discharging cargo and being properly caulked before proceeding on her voyage. In Balasore, only a few days ago, the Commissioner saw several dhonies in course of building and repair, and he states that their construction was weak and inefficient to the last degree. In one case, new sides were being put to an old bottom, the whole of which was rotten.

6. The Commissioner also reports that it is said not to be uncommon for Arab traders to buy a condemned vessel, put on a coat of paint, and then work her under native colours : and that an instance of this occurred not long ago, when an old Government schooner, the *Orissa*, was bought by a trader of Muscat, and taken away from False Point in a very rotten and unseaworthy state.

7. The Commissioner, though fully sensible of the magnitude of the evil, is of opinion that the provisions of the Merchant Shipping Act of 1875, are not applicable to native coasting vessels : and he would prefer that legislative power should be taken to make rules for the regulation of vessels of this class. He would divide these vessels into two classes—1st, those authorized to ply throughout the year, and 2nd, those authorized to ply during the fine season only.

8. It appears to the Lieutenant-Governor that this suggestion might be adopted, and that certificates of the 2nd class might be granted under less stringent conditions than ought to be required when a certificate of the first class is applied for. But it does not appear that this classification of vessels is incompatible with the acceptance of the general principle, that the provisions of

those sections of the Act, which are referred to above, shall be extended to all sea-going vessels in British India: and the Lieutenant-Governor would certainly recommend that the law should be made of general application.

9. With reference to the second paragraph of your letter, the Lieutenant-Governor desires to represent that a strict enforcement of the provisions of section 45 of the Merchant Shipping Act of 1854, appears sufficient to prevent fictitious transfers. It has, however, been suggested by the Master Attendant that it would be desirable also to instruct the Registrars of Shipping at the different ports not to allow any vessels to be transferred from British to foreign colours, unless the application for transfer were accompanied by a certificate of seaworthiness from the surveyor.

10. An enquiry has been ordered to be made regarding the vessels belonging to Ahmed Khoonjee, referred to in the third paragraph of your letter under reply.

11. In conclusion, I am desired to remark that the Act of 1875 was only a temporary measure, and that another Bill on the subject is now before Parliament, and will probably become law during the present session. Sir Richard Temple would be strongly in favor of having a similar measure passed for Calcutta, where it is probably as much needed as in any other part of Her Majesty's dominions.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 24th July 1876.

I am directed by the Committee of the Chamber to

acknowledge the receipt of your letter No. 1910 of the 11th instant, and to state in reply that, though they are sensible of the fullest consideration being given by the Government of Bengal to their suggestions and recommendations, they feel compelled to express their concurrence in the remarks made by the Vice-President at the last half-yearly meeting of the Chamber.

The Committee will, in justification of their opinion, point to the fact, that, as far back as 31st December 1872, they showed the Government of Bengal how, by the simple extension of an already existing local Act, the evil complained of would be at once remedied to a large extent. The matter came before the Chamber on the representation of the Government itself and the letter of the Chamber was in reply. No action was taken.

Two or three very serious casualties occurred, so serious as to have attracted the attention of Government, and a second representation was made to the Chamber on the 16th September 1873. This inaction of 8½ months caused, by the Government's own showing, loss of valuable property and still more valuable life. This representation was replied to in full detail by the Committee on the 5th November folowing, the reply having been delayed till the action of the Port Commissioners was known. The Committee desire to say as little as possible as to the non-publication of this letter, and its having been brought to light after several months. This was no doubt an accident, but it was an accident that led to further loss of life, which might have been averted.

The Committee request me to carry the history still

further. In their letter of 17th December 1874 they again alluded to the subject; it was mentioned by the President in his speech in January 1875; the new Merchant Shipping Act (IV. of 1875) became law on 2nd February 1875, but no notice was taken of this important subject; and thus another opportunity of supplying a material defect in our Port rules was lost.

Again in November 1875 the question was discussed by the Committee, and another letter was addressed to the Government; and they were then told that the Government of India had under consideration the whole question of consolidating and amending the existing law relating to Merchant Seamen, of which the survey of ships naturally formed a part.

It is on this point that the opinions of the Chamber and the Government are at variance. The two measures do *not* naturally form part and parcel of each other, as was well pointed out by the Hon'ble Mr. Bullen-Smith at the general meeting of the Chamber held on 20th December 1875; and the Committee cannot do better than quote his words:—"*The Local Government have referred the request of the Chamber and the Port Trust to the Government of India, and nothing is likely to be done in the matter, pending an amendment in the general law relating to Merchant Seamen now, or about to be taken, in hand. In common with many I regret this delay and really cannot see that what we ask for is at all connected with Merchant Seamen. What we desire is that those exercising the calling of surveyors of shipping and goods in this port, shall be under some control, amenable to some authority, and duly licensed.*" He

then proceeds to illustrate his proposition by a gross case that had just occurred and had formed the subject of a correspondence in the public prints. Another member, the present President, in speaking on the subject at the same meeting, referred to the previous correspondence, and pointed out that while the representations of the Chamber on this important matter were allowed to slumber, the scandals which these representations were intented to correct were allowed to continue unchecked. Seven months have been allowed to pass away without the slightest move in the matter; though we have had, meanwhile, an instalment of that Merchant Seamen's Act for which we were told to wait.

From this history of the case you will see that it is more than three years and a half since action was first taken on the motion of the Government itself, that the importance of the case, at least as regards this port, has been more than once pressed on its attention by the Chamber as well as the Port authorities, who are just as much alive to the evil as is the Chamber, and we are still apparently as far as ever from even the semblance of a remedy.

Your present communication inspires the Committee with the hope that a remedy may be at length applied. They do not see the slightest connection between the Seamen's or Shipping Acts and the survey of ships supposed to be unseaworthy: even should Government think there is such connection, they do not see why a temporary enactment of the local legislature should not be at once passed, to correct what is acknowledged by all to be a crying evil in this port.

Having the assurance from you of all representations from the Chamber receiving prompt and careful consideration from the Government of Bengal, the Committee leave this further remonstrance against delay in the hands of His Honor with the more confidence as to this matter receiving attention on its own merits, separated from other considerations, with which it has, and can have, no possible connection.

THE MERCHANT SEAMEN'S ACT.

While the Government have delayed giving us an Act to regulate surveys of unseaworthy ships on the ground that it is necessary to wait for a comprehensive Merchant Seamen's Act, they have not considered it obligatory to wait for this in another case in which there was no urgency, and we have had a first instalment of this comprehensive Act passed at Simla. It relates principally to provisions for shipment of distressed seamen ; but as the Act pressed so heavily on shipping interests the former Committee of the Chamber addressed the Government on the subject. The Act has since been passed with one of its most objectionable clauses unaltered. The present Committee, fully endorsing the views formerly expressed, have pointed out these objections a second time. No reply beyond a simple acknowledgment has been yet received.

From Chamber of Commerce to Govt. of India, Legislative Dept., Simla.

Calcutta, 22nd July 1876.

I am directed by the Committee of the Chamber of Commerce to address you on the subject of the Merchant Seamen's Act which has been lately passed at Simla, and to again remonstrate against an Act which so entirely affects the mercantile community being passed elsewhere than in Calcutta.

The Committee have read with much attention the reasons which have been assigned by the Hon'ble Mr. Hobhouse for passing this Act at Simla, but they would nevertheless venture to submit that had the Bill been passed in Calcutta, they would (among other explanations) have been able to show to what they referred when saying that the provisions of Section 8 were tantam ount to giving the refractory seaman a three months' holiday after his imprisonment.

It seems to the Committee that to a seaman who has to pay nothing for his passage and who is found in every way on the same scale as the crew who are working the ship, but who for the three months the voyage lasts is a gentleman at large, under no sort of restraint beyond that of a mere passenger, the three months' voyage is a holiday indeed, even should he during such passage have earned no wages, and they deprecate this species of relaxation for a man who for misconduct had incurre l the penalty of the law. Had the new Act contained a proviso that such men should be compelled to work their pas-

sage home whenever practicable, as is the case with distressed seamen—(See Section 90: Instructions to officers in British Possession abroad regarding the relief of distressed seamen)—there would not have been, the Committee think, the same objection to it; but in its present form the Committee would beg to record their opinion that this section is likely to prove not only most unjust to the ship refusing to receive the refractory seaman, but also generally most mischievous.

The Bill having been already passed the Committee forbear remark on its several sections, but they would beg to point out that the Instructions above referred to clearly define the meaning of the term "distressed seamen"—Sections 86 to 88—and that the Board of Trade distinctly reserve to themselves the power to disallow expenses incurred on behalf of men who do not come within the definition. (Section 86.) It is assumed by the Committee that the Government of India would be liable for these expenses should they be disallowed, but even under these circumstances they would deprecate men who are not distressed seamen, even under the liberal definitions of the English Acts, being forced upon ships by the local authorities. In almost every case an idler on board ship is the leader of any discontent which may exist in the forecastle, but with men such as the Committee fear the local Government are anxious to impose upon ships under the Act just passed, the danger of disturbance and of annoyance to the officers of the ship would be greatly enhanced.

That this fear on the part of the Committee is not baseless, I am directed to state that when the Draft Bill was

under their consideration instances were brought to notice of men, who, under the provisions of Section 88 of the Instructions, were not entitled to relief as distressed seamen, having been tendered to ships here by the local authorities for conveyance to England as distressed seamen. The Committee would beg to submit that where men have been discharged from ships and have accepted employment in this country, whether on the railway or as assistants in the different companies now employing European labor, that the mere fact of their having once been seamen should not entitle Government to force ships to convey them to England at the low rates of passage at which ship owners are compelled, and are fully willing, to convey men who are *bonâ fide* distressed seamen.

The Committee think that it should be incumbent upon the officer appointed by Government to grant the certificates provided for under this Act to prove, should he be called upon to do so, that the man is really a distressed seaman under the definitions of the English Acts, and that should he fail to do so the ship conveying the man should be entitled to ordinary passage money for every man so wrongfully conveyed.

JETTY CHARGES.

The question of reducing the rates hitherto charged for landing and shipping packages at the jetties has been submitted for the consideration of the Port Commissioners as the Committee believed that changes in this respect were feasible. In one instance the suggestion of the Chamber has

been promptly adopted, and the charge for landing specie has been reduced from 1 rupee to 4 annas per box.

It will be seen from the Commissioners' reply of 31st August that, in preparing their budget for the current financial year, the question raised by the Chamber will be duly attended to. The Committee, however, do not concur in the Commissioners' opinion that no reduction is practicable until the income derived from the jetties is sufficient to complete the works required for their efficient performance : they hold, on the contrary, that the revenue obtained from the jetties should be charged with only legitimate items, and capital account debited with any outlay involved in completing or extending jetty accommodation.

Chamber of Commerce to the Port Commissioners.

Calcutta, 16th August 1876.

The Committee of the Chamber of Commerce desire me to request you will take an early opportunity of submitting this communication for the consideration of the Port Commissioners.

Some months ago the Committee's attention was drawn to the expediency of obtaining a reduction in the rates charged for landing and shipping goods at the jetties, and they concurred in the opinion that some material concession would be justified by increasing receipts derived

from a progressive improvement of traffic: they thought it would be better however to wait till the Commissioners' Annual Report enabled them to judge whether any action should be taken in the matter.

The Committee are now in possession of the Commissioners' Administration Report for the past year, and they observe with satisfaction that the financial position of the Trust appears such as may well admit of the Commissioners granting a reduction of the rates now levied, and relief given to all articles contributing to that portion of the revenue, especially to the branch which yields fully one-third of it.

To consider how this may best be done it is proposed that the present schedule be revised by a Committee composed of members of the Trust, of the Chamber, and of the Trades Association, and it is hoped that the Commissioners will consent to that course being adopted.

Port Commissioners to Chamber of Commerce.

Calcutta, 31st August 1876.

I am directed to acknowledge receipt of your letter of the 16th instant, proposing reduction of rates charged for landing and shipping goods at the jetties. In reply I have to inform you that your letter was laid before the Commissioners at the meeting held on the 25th instant, and in terms of a resolution passed thereon I have to intimate that the Commissioners have hitherto deferred the consideration of the question of any reduction in rates charged for landing and shipping goods at the jetties until the income derived therefrom should

suffice for completing the works required for their efficient working. Now that these appliances are nearly completed, the Commissioners will instruct the sub-committee to be appointed in January next for preparation of the Budget for the year 1877-78 to take the question into consideration and to report whether any change in the rates is expedient and rendered feasible by the state of the revenues now derived from the jetties.

2. As the Port Commissioners are fortunate enough to retain among its members a representative of the Trades Association and several members of the Chamber of Commerce the interests of both bodies will be fully represented by the sub-committee that may be appointed by the Port Commissioners for the consideration of the subject.

Chamber of Commerce to Port Commissioners.

23rd October 1876.

The Committee of the Chamber of Commerce desire me to submit the following representation for the consideration of the Port Commissioners.

The steamers of the Peninsular and Oriental Company have been and still are the only vessels that bring treasure to this Port from Europe; and so long as their cargoes were discharged on their own premises at Garden Reach treasure was landed without expense to consignees: but as they now come up to the Commissioners' Jetties they are amenable to the regulations applicable to vessels occupying that accommodation and their cargoes subject to the schedules of charges leviable thereunder.

When the schedule of rates for landing goods was fixed 4 or 5 years ago scarcely any silver, beyond an occasional box or so, passed over the jetties, and the charge in such isolated instances was probably not considered excessive or open to objection: but circumstances are changed, and a levy of 1 rupee per box on large parcels of specie for simply lifting the treasure from a ship's hold to the jetty is now regarded as an exorbitant charge for the service so rendered, and with which service, according to their 15th bye-law, the Commissioners' risk and responsibility altogether cease.

The Committee are of opinion that consignees of specie have just grounds of objection to so high a charge, and that its reduction to 2 annas per box would not be a greater concession than is fairly demandable, leaving at the same time an ample return for the use of the Commissioners' appliances.

Under Section 65 of Act V of 1870 the Commissioners have the power, subject to approval of the Lieut.-Governor, to amend the schedule, and the Committee trust that that power will be exercised with all convenient speed to the extent they have indicated.

There are other instances of excessive charges which are heavy percentages on the values of some descriptions of merchandise, which will no doubt be taken into consideration by the Sub-committee of the Commissioners by whom the schedules are to be revised early next year.

Port Commissioners to Chamber of Commerce.

Calcutta, 30th October 1876.

Your letter of the 11th instant requesting reduction of landing charge on silver was submitted for the consideration of the Commissioners at their last meeting, and they have resolved to apply to Government to alter the charge on gold and silver from one rupee to 4 annas per box.

HOOGHLY BRIDGE TOLLS ON COAL.

The Committee have again addressed the Government of Bengal, urging the exemption of coal from the terminal charge levied by the East Indian Railway Company under the Hooghly Bridge Act. It will be seen from the facts and figures taken from the Administration Report of the Bridge Commissioners that during the year ended 31st March 1876 they realised a net revenue of 2 lacs of rupees, which enabled them to discharge not only all the liabilities imposed by the Act but to hold a considerable surplus—equal as nearly as possible to the tolls levied on coal alone.

That the Bridge is self-supporting without the levy of this most unjustifiable toll is abundantly proved, and the Committee trust that his Honor the Lieutenant-Governor will sanction the early removal of a burden which presses with exceptional

severity upon an article which needs all the aid that can be given for its protection and development instead of being weighted with a charge of unnecessary imposition.

If official ingenuity suggests or designs any other oppressive item to be borne by the bridge account, and if there is a determination to create other permanent charges so that there can be no hope of relief to the coal trade, the Committee of the Chamber can only record their protest against an aggravation of the injury already inflicted and which all who are interested in the matter have vainly endeavoured to get removed.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 10th August 1876.

The Committee of the Chamber of Commerce desire me to state for the information of the Hon'ble the Lieut.-Governor that they have recently received a representation from parties interested in the coal trade, in which they urge that His Honor may be moved to re-consider the question of the terminal charge levied by the East Indian Railway Company under Section 4 of the Howrah Bridge Act 9 of 1871.

The levy of that terminal charge was the subject of two separate communications to the Lieut.-Governor from the Proprietors and Managing Agents of various Collieries and from the Agents of Steam Tug Companies,

but for the reasons given in your replies of the 11th and 21st January 1875 Sir Richard Temple regretted his inability to comply with their applications for exemption from the tax.

Those representations were subsequently supported by the Chamber of Commerce and all the principal interests concerned in an industry upon which the tax fell with exceptional severity; and a deputation from those bodies waited upon the Viceroy and Governor-General, with whom the matter was fully discussed; but His Excellency was unable to give any more definite reply than that the Government was cognizant of the undue incidence of the tolls levied, and that the question would be carefully considered when more experience of the working of the bridge had been gained.

Fifteen months have since elapsed, and the Act has had the full and fair trial which His Honor deemed necessary before any proposal to amend its provisions could be entertained; and it appears to the Committee of the Chamber that the time has arrived when they may appeal to the Lieut-Governor for a review of the circumstances under which the impost was legalised, and of the pressing solicitations already made for exempting from its application an article of local industry which of all the items which constitute railway traffic not only presents the least reason for subjection to the tax, but shows greatest cause for entire freedom from the burden thrown upon it.

The Committee will not trespass upon the Lieut.-Governor's time by recapitulating the arguments advanced

on the occasions referred to as His Honor is well acquainted with them; but for convenience of reference they forward a copy of the Address to the late Viceroy which embraces all the correspondence on the subject.

As already noticed, the working of the Act has had a fair and full trial, and results are shown which amply justify the application now submitted for the Lieut.-Governor's consideration.

1,72,458	4	0
3,71,628	7	6
1,99,170	3	6
73,333		
41,800		

In their Administration Report for the past year the Bridge Commissioners published a statement of their disbursements and receipts, shewing a net revenue of nearly 2 lakhs, out of which they have repaid the first instalment of the capital advanced by Government for construction as well as the amount of another loan for an exceptional purpose.

So that the receipts have covered not only all ordinary expenditure, paid off a stipulated part of original cost, the annual interest on the entire debt, and a large sum by way of temporary advance, but they exhibit, in addition, an absolute surplus of Rs. 84,000.

The Commissioners' Report contains details of the local traffic over the bridge which serve to show how largely that means of communication between Calcutta and Howrah has been resorted to by the public, but the receipts from railway traffic are given in the aggregate only.

The Committee have ascertained, however, that the

quantity of coal brought down to Howrah has averaged 40 lakhs of maunds during each half-year since the bridge was opened on 1st January 1875; and that article has consequently contributed, at the terminal charge of 1 rupee per 100 maunds, about 80,000 rupees to the receipts during the year covered by the Commissioners' Report.

The proof therefore is conclusive and established beyond question that the revenue derived from the ordinary local and railway traffic—exclusive of coal—is amply sufficient to cover ordinary expenditure and the liabilities imposed by Government.

The bridge may therefore be emphatically pronounced self-supporting, and that too without the aid of a tax on an article of commerce compulsorily made to contribute a share of revenue which is absolutely not required, and which ought, on that ground alone, to be remitted as an unnecessary burden on the coal trade of Bengal and all the various industries dependent on its development.

It is in the power of the Lieutenant-Governor under the Act to grant the relief now asked for on behalf of the interests concerned, and the Committee of the Chamber of Commerce trust His Honor will avail himself of the authority which the Law has placed at his discretion and exercise it to the fullest extent.

His Excellency the Viceroy assured the deputation who waited on him that relief would be given as soon as it was seen whether the other traffic which properly contributes to the maintenance of the bridge was sufficient

for the purpose, which included not only the ordinary expenditure but interest, sinking fund, &c. The last report of the Commissioners proves that this traffic is so sufficient, and the Committee of the Chamber with the more confidence claim the fulfilment of the pledge then given.

No. 142T.

From Govt. of Bengal to Chamber of Commerce.

Darjeeling, 19*th August* 1876.

With reference to your No. —— dated 10th instant, I am directed to state that the question of exempting coal from the terminal charge, which the East Indian Railway Company levy under Section 4 of Act IX of 1871 had already attracted the Lieutenant-Governor's attention and His Honor had instituted the enquiries necessary to enable him to come to a decision on this matter.

2*nd*.—I am further to state, that as soon as His Honor passes orders on this question, the result will be communicated to you for the information of the Chamber of Commerce.

From Chamber of Commerce to Govt. of Bengal, Darjeeling.

Calcutta, 24*th October* 1876.

The Committee of the Chamber of Commerce were

glad to receive the assurance conveyed in your letter No. 142 of 19th August that His Honor the Lieutenant-Governor had instituted inquiries necessary to enable him to come to a decision in the matter of the East Indian Railway terminal charge on coal on account of the Hooghly Bridge.

In the Chamber's letter of 10th August it was submitted that the Bridge revenue derived from traffic other than coal was more than sufficient to meet every item of expenditure with which the Bridge account was loaded; and in reverting to that subject the Committee desire me to draw your attention to the recently published statement of the earnings of the East Indian Railway, from which it would appear that the traffic on its main line from 1st July to 14th October of the current year exceeded by £130,000 the receipts for the corresponding period of 1875, and that for the week ending 14th instant the earnings nearly doubled the receipts for the corresponding week of October last.

It may be fairly presumed that a large proportion of this increased traffic has reached the Howrah terminus, and consequently that the terminal charges levied on account of the Bridge have also been proportionally increased.

If this be so, the result materially strengthens the Committee's application for the exemption of coal from the unnecessary burden it is still made to carry.

Railway between Calcutta and Nagpore.

The advantage of having a direct line of Railway between Calcutta and Bombay in saving of time in receipt of English mails, and in opening up the resources of the most fertile part of India, was so obvious that the Committee considered it incumbent on them to address the Government on the subject, and in connection therewith to urge its construction on the same gauge as the other main lines. The annexed correspondence shows that it is already in contemplation to complete the line from Nagpore to Chuttisgurh, and its further continuation to Calcutta is so clear a necessity that it must soon follow. The completion of so important a work will continue to occupy the attention of the Committee.

From Chamber of Commerce to Govt. of India, Public Works Department, Simla.

28*th June* 1876.

The Committee of the Chamber of Commerce direct me to request the favor of your informing them whether Government has had under consideration the question of constructing a line of railway from Calcutta to Nagpore viâ Midnapore, Sumbulpore, Raipore, &c.; whether that part of the country has been specially surveyed with the view of establishing railway communication; and whether it has been ascertained that the agricultural

and other industries of the population of that district, and their probable requirements of the produce and manufactures available at Calcutta and other large markets for British merchandise, would yield a traffic of sufficient magnitude and value to justify the outlay of imperial funds on such construction.

The Committee have been informed that a line from Calcutta to Nagpore by the above route would shorten the distance to Bombay by about 300 miles ; that it would supply a much required means of access to the Province of Orissa and open up fertile agricultural and rich mineral districts ; and that the extension thereto of railway facilities would be followed with great benefit to the inhabitants of a large tract of country who have not had the opportunity of feeling and appreciating the influences of direct speedy communication with other parts of India.

If the natural resources and capabilities of that extensive tract of country are such as may be developed by improved internal communication, and if the cultivation and transport of produce and transit of the travelling portion of the people were encouraged and facilitated by means superior to those that are at present available, there would be good ground for extending the railway system in that direction and giving the country advantages which it does not now possess.

No. 2755 R.

From Govt. of India, P. W. Dept., Railway, to Chamber of Commerce.

Simla, 12th October 1876.

I am directed to acknowledge the receipt of your letter dated the 28th June 1876, requesting to be informed if the question of constructing a line of railway from Calcutta to Nagpore *viâ* Midnapore, Sumbulpore, Raipore, &c., has been under the consideration of Government.

2. In reply I am to state for the information of the Bengal Chamber of Commerce, that it is in contemplation, under provisional sanction from the Secretary of State, to proceed with the construction of a line of Railway from Nagpore to Chuttisgurh, that it will no doubt become hereafter desirable to extend this line either through Raipore and Sumbulpore on to Calcutta or through Raipore and Belaspore to join the East Indian Railway at or near Raneegunge, and that when means are available the requisite explorations and surveys will be undertaken.

From Chamber of Commerce to Govt. of India, Public Works Department, Railway Branch.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2755 of the 12th ultimo, in reply to their reference of 28th June last, and to state that the information you have been good enough to convey greatly encourages them to hope that a direct railway communication between Calcutta and Nagpore will be established at no distant date.

The Committee avail themselves of the opportunity which this acknowledgment of your letter presents by venturing to introduce the consideration of a question which will probably largely influence the Government in its decision regarding the construction of the proposed line.

They are aware that the subject of "gauge of way" has been frequently and very fully discussed in connection with some of the railways undertaken by the State, and they believe that financial and economic reasons prevailed in determining the adoption of a narrow—or $3\frac{1}{4}$ feet—gauge in preference to the standard width of $5\frac{1}{2}$ feet, on which all the main trunk lines have been constructed.

That determination of course involved a departure from a system which has invariably recognised a continuity of gauge as of paramount and imperative necessity and rejected any alternative plan on the ground of serious results arising from break of gauge, the evils and inconveniences of which could not be compensated by economy in constructing lighter or narrower lines and in their working and maintenance.

Those evils and inconveniences are well understood and estimated at home, and the experience of eminent railway engineers there is adverse to any avoidable interruption to a continuous transport of traffic; and the Committee of the Chamber apprehend that the Government of India are not insensible to the disadvantages which would follow by adopting in this country a policy opposed to that which is generally adopted in England.

A narrow or metre gauge may be suitable to subsidiary

lines or to traffic in distant and isolated districts the conveyance of which by railways of lightest and cheapest construction would obviously be an immense improvement upon primitive means of transport in such localities, and the absence of uniformity of gauge would be immaterial.

The proposed line to Nagpore, running through some of the richest provinces and connecting them in a direct line with the two large ports of Calcutta and Bombay, will become one of the most important in India, and the maintenance of the standard gauge appears to the Committee not only advisable but a matter of necessity, as indeed its junction with the Great Indian Peninsular Railway at Nagpore and with the East Indian Railway at Raneegunge, or any other point, so as to admit of traffic passing on direct to Bombay or Calcutta, would apparently necessitate the adoption of a gauge uniform with the broad gauge of those two main lines.

A lighter description of locomotives, carriages, and wagons might be introduced with considerable economy, no doubt; but a line of the most durable construction would eventually be the least costly; and while that material object would be gained it would be accompanied by the permanent advantage of a gauge corresponding with the trunk lines to the Presidencies, and unhampered by the evils attendant on break of gauge.

Telegraph Rules and Telegraph Service.

This subject was referred to in last Report and the Committee's continued action is recorded in their concluding letters to Government hereto appended: and it will be observed that they have entirely endorsed the opinions of the Madras Chamber with regard to Rule 35 of the St. Petersburg Convention, which makes senders and receivers of messages mutilated in course of transmission liable to the charges for repetition. The combined agitation of this matter by the Presidency Chambers has resulted in a reference to the Secretary of State and the British Postal Telegraph Department.

Upon the point also of the compulsory additional charge of 50 per cent. on figure cipher messages from India to Europe—while similar messages to India were charged at ordinary rates—the Committee have the satisfaction to report that the Government of India have expressed their desire to make this rule less illiberal, and authorised a representation to be submitted for the consideration of the other States interested. Up to this time, however, none of the restrictions have been removed, and it is a matter of surprise that the provisions of the St. Petersburg Convention which have been set aside or ignored in England should still be applied to the Indian community.

From Chamber of Commerce to Govt. of India, Public Works Department, Simla.

Calcutta, 13th June 1876.

The Committee of the Chamber of Commerce have been anxiously waiting for a reply to their representation of 13th March last relative to the rates levied by the Telegraph Department on code messages transmitted from Calcutta to London; and they instruct me to bring the subject again under notice in the hope that the reference then submitted for the consideration of Government may result in a decision establishing the accuracy of the opinions they expressed, and authorizing the reversal of a practice at variance with that which obtains at Home.

The Committee have already commented on the anomaly which exists of code messages from India to the United Kingdom being charged 50 per cent. more than messages of precisely the same character from the United Kingdom to India; and they trust His Excellency the Governor General in Council will be pleased to extend to the mercantile community of this country immunity from a charge from which the mercantile community at Home are exempt.

From Govt. of India, Public Works Department, to Chamber of Commerce.

Simla, 12th June 1876.

In acknowledging the receipt of your letters dated respectively the 7th and 13th March last regarding the

charge imposed under the last International Telegraph Convention for repetition of foreign telegraphic messages, I am directed to forward for the information of your Chamber copy of a communication No. 39 T dated 4th April 1876, addressed by the Officiating Director General of Telegraphs to the Madras and Bombay Chambers of Commerce on the subject, and to state that the Government of India entirely concur with what has been said by the Officiating Director General.

No. 39T.

From Director General of Telegraphs in India, to Chamber of Commerce, Madras.

4th April 1876.

I have the honor to acknowledge receipt of your letter of the 17th February in which you request that the Convention ruling embodied in No. 35 of the rules for foreign messages may be reconsidered in view to recipients of doubtfully worded uncollated telegrams being enabled to procure a repetition without incurring any cost, should it be proved that the telegraph had been in fault. At present, as you point out, such privilege is confined to messages on which the charge for collation has been paid by the sender.

2. To obtain an alteration of the Convention prior to its revision by an Internationary Conference, it is requisite that the change should be assented to by all the administrations concerned. Such unanimous consent on this point is most unlikely as the new rule was expressly designed

to remove the anomaly which, under the former procedure, afforded to senders and receivers of telegrams all the advantages of collation without payment of collation price and thereby imposed a very considerable amount of unremunerative work on the telegraph lines.

3. With reference to your contention that the new rule is not just to senders and receivers of telegrams the following explanation will, I think, shew you that while the former rule was unfair to the Telegraph Administrations the revised procedure does no more than remove the one-sided incidence of that which it superseded.

4. The ordinary telegraph tariff is based on the supposition that messages are in clear language offering an intelligible sense. The context of such messages renders repetition unnecessary.

5. Gradually nearly all commercial messages have come to be expressed in code language, comprising difficult words, offering no intelligible sense or context.

6. Telegraph Administrations naturally object to allow code messages (if paying ordinary rate) to occupy the wire longer than telegrams of similar length offering an intellegible sense. The chances of accurate transmission, other things being equal, are thus greatly in favor of the latter. Code messages, to ensure accuracy, *ought therefore to be collated.*

7. If, however, the sender of a code telegram elects not to prepay it at collation rate he thereby, under the condition of the St. Petersburg Convention, voluntarily

accepts all risks of errors, waives all claim to the special care and precautions which the nature of his telegram demands, and debars the receiver from obtaining, otherwise than at his own cost, any rectifications necessitated by errors in transmission.

8. It appears necessary to point out that the punishment of signallers for errors in transmission of messages is based not on the value of the message or on the fact that a repetition had been claimed by the receiver, but on the nature of the error and on the salary of the signaller. The change in procedure which forms the subject of your letter under reply has therefore no bearing on this point, and there are consequently no grounds for the apprehension you express as to the effect of that change on the accuracy of telegrams.

9. I may add in conclusion that the rule which forms the subject of this letter is under discussion between the Government of India, the Secretary of State and the British Postal Telegraph Department, and that the result will be made known in due course.

From Govt. of India, Public Works Dept., to Chamber of Commerce.

Simla, 23rd June 1876.

In reply to your letter of the 13th current, soliciting a reply to your former communication dated the 13th March last, on the subject of the charge imposed under the last International Telegraph Convention for repetition of foreign telegraphic messages, I am directed to refer

you to this office letter No. 209T, dated the 12th instant, which probably crossed your later letter *en route* and which replied to your first communication.

From Chamber of Commerce to Govt. of India, Public Works Dept., Simla.

Calcutta, 30th June 1876.

I have the honor to acknowledge the receipt of your letters of the 12th and 23rd instant.

The former communication forwards copy of your reply to the Madras Chamber of Commerce relative to the operation of No. 35 of the new telegraph rules and the latter informs this Chamber that the above is a reply to their original representation of 13th March.

But I am directed to point out that the two subjects submitted by the two Chambers are not identical ; and that while your reply to the question raised by the Madras Chamber conveys an elaborate defence of the new rule and its application by the Officiating Director General of Telegraphs, the point raised by *this* Chamber remains unnoticed.

The rule referred to in my letter of 13th March provides for the compulsory repetition of private cipher messages composed of figures transmitted from India to Europe at a charge of 50 per cent in addition to the rate for the message itself: against this rule the Chamber complained, and based its complaint upon the fact that similarly constructed messages transmitted *to* India were exempt from such compulsory excess charge, and that the

practice introduced in this country does not obtain at Home.

This is the submission already placed before the Government, and a reply is respectfully requested.

From Govt. of India, Public Works Department, to Chamber of Commerce.

Simla, 4th August 1876.

In reply to your letter under date 30th June, I am directed to inform you that the compulsory additional charge of 50 per cent on figure cipher messages is strictly in accordance with Regulation XIVIII, Clause 4 of the St. Petersburg Convention, and cannot be changed without the consent of the other administrations concerned.

2. The Government of India is however desirous of making this rule somewhat more liberal, and the Director General of Telegraphs has been authorized to submit a modification in this direction to the central *Bureau* at Berne for the consideration of the other States interested.

3. With reference to that portion of your letter which states that this rule is not enforced in England, I am directed to say that the relaxation in question has been carried out by private Telegraph Companies in a spirit of competition, and with a view to attract customers, (though possibly for the present at a loss to the shareholders); that such a proceeding is one which the manager of a private Company dealing with private

money, subscribed for a special purpose, may perhaps adopt with some sort of justification, though in defiance of rule; but that his example cannot be followed by a public agent, dealing with public funds, for the benefit of a class interest, at a further cost and sacrifice to the general community who have already to bear the loss on an unremunerative undertaking.

From Chamber of Commerce to the Government of India, Public Work Department, Simla.

Calcutta, 22nd July 1876.

The Committee of the Chamber of Commerce direct me to address you on the subject of your reply to the reference made by the Madras Chamber of Commerce in their letter of 17th February last regarding the provision of No. 35 of the rules applicable to foreign messages, which was held to be unjust to the senders and receivers of uncollated messages, inasmuch as they are compelled to pay the charge for repeating messages, the sense of which has been mutilated in course of transmission by the Telegraph Department.

The Director General of Telegraphs controverts that submission, and the Government of India concurs in what he has said on the subject; at the same time it is declared that the rule in question is under discussion between the Government of India, the Secretary of State, and the British Postal Telegraph Department.

The Committee have given their fullest consideration to the communication of the Director General, and, with deference to that officer's views on the point under refer-

ence and respect for the concurrence therein by the Government of India, desire to place the matter once more before His Excellency the Governor General in Council for a review of the representation already made.

The Director General prefaces his general argument by remarking, in the 2nd paragraph of his letter, that any alteration of the Convention, under which the amended rule was adopted, requires the assent of all the Administrations concerned, and that such unanimous consent is most unlikely as the new rule was expressly designed to introduce an important change in the telegraph service in India.

The Committee cannot agree with the Director General about the difficulty of getting the consent of all the Administrations concerned, as it is worthy of remark that all the most notable restrictions and additional charges introduced under the Convention are only applicable to extra-European places, showing that the delegates of European States refused to accept the illiberal conditions which were proposed by the British delegates, who, it is stated, would have prohibited the use of code symbols altogether.

It would therefore appear to be an easy matter to obtain the assent of the several Administrations, even if such assent is necessary, to changes which in no way affect their own interests. Indeed the 17th Article of the Convention gives the local Government power to make such alteration.

The admission by the Director General amply justifies

the complaint submitted by the Committee in their letter of 9th December last that the commercial public had no intimation of the more important changes contemplated at the St. Petersburg Convention; and that they were therefore unable to communicate their views thereon to Government for submission to the International Conference; for if the proposed introduction of the change, which the Convention was persuaded to adopt, had been previously made known, this Chamber would have strenuously opposed it, because it would obviously deprive the public of an equitable provision which they possessed under the old Convention, and sufficient cause would have been shewn why the existing rule should not be disturbed.

The Committee are unable to concur in the Director General's assertion that the old rule was unfair to the telegraph administration, and that the revised procedure only removes the one-sided incidence of that which it superseded, for in their opinion the old rule made it compulsory on the telegraph department to do its own work at its own cost; and under the new rule the one-sided incidence is all the other way, for it burdens the sender and receiver of a mutilated message with a charge incurred by default of the department itself.

The Committee take exception to the Director General's statement that gradually nearly all commercial messages have come to be expressed in code language comprising difficult words, offering no intelligible sense or context, that they occupy the wire longer than telegrams offering an intelligible sense, and ought therefore to be collated; 1st—because the fact cannot be overlooked that while the

St. Petersburg Convention authorised 15 characters as the maximum length of a word over European lines, extra-European traffic is limited to words not exceeding 10 characters; and the adoption of this limitation has excluded from use a great number of English words and confined code messages to words of ordinary employment and simplicity: and, 2nd—because the Director General's opinion that code messages "ought to be collated" is at variance with the distinct declaration of the Convention Rule 48, the 4th para. of which runs as follows:—"Paid repetition is compulsory for private telegrams containing secret language composed of figures or letters. This regulation is not applicable to Government telegrams, *or to language of preconcerted meaning composed of plain words.*"

With reference to the alleged difficulty of sending messages with no intelligible sense or context, the Committee think that, with the perfection of instruments now used, the less the signallers attempt to understand the messages the more will their attention be fixed on the correct transmission of the words, and that fewer mistakes will consequently ensue.

It is noteworthy that since the new Rule came into operation the errors in telegrams, especially those in ordinary language, have increased enormously, and messages now are rarely received without important errors.

The Committee therefore arrive at the conclusion that the representation by the Madras Chamber remains unanswered, and that the unfairness of the new regulation remains unaffected by the Director General's endeavour to explain it away.

Having thus endorsed the views expressed by the Madras Chamber, the Committee desire to supplement their communication by a brief reference to the manner in which the telegraph service is, in some respects, conducted.

The departmental regulations applicable to private *foreign* messages are assumed by the Committee to be generally in accordance with the St. Petersburg Convention Rules, but they are unable to trace any authority for declaring the Convention rules applicable to messages transmitted to places *within Indian limits.*

With the single exception contained in the 3rd paragraph of Rule 7 *viz.*, that extra European administrations are authorized to refuse to admit upon their lines private telegrams containing secret letters, the Convention takes cognizance only of messages transmitted over the international telegraphs, and pretends to no control over the internal administration of extra-European States or over messages which are not sent beyond their territorial limits.

Article 17 confirms this:—consequently the allusion to the Convention, contained in the memorandum usually attached to purely inland messages returned to senders for correction or explanation, appears to be a reference to an authority which distinctly disclaims interference with any separate arrangements which each of the contracting States may find it convenient to make within its own administration: and the Committee submit that not only is such use of the term "Convention Rule" inappropriate, but the departmental requisition is of a most inquisitorial

character, involving disclosures which cannot in any sense promote the telegraph service, and vexatious disputes on trivial questions of orthography and abbreviation, invariably leading to delay in receiving and transmitting telegrams of most urgent importance to merchants.

In conclusion the Committee desire again to urge on His Excellency in Council that whereas in England messages composed of groups of figures having a secret meaning are freely accepted at the ordinary charge, in India they are rejected except at the additional repetition charge; and this fact, which cannot be unknown to the Telegraph Department, at once shows that the rules of the St. Petersburg Convention are not held in England to possess that binding force which the Government has alleged them to have as a reason for refusing to consider recommendations for amendment of rules which are in practice found to be harsh in their application.

From Govt. of India, Public Works Dept. to Chamber of Commerce.

Simla, 3rd October 1876.

I am desired to acknowledge the receipt of your Secretary's letter under date 22nd July last, on the subject of the additional charge levied for the repetition of messages, and to state in reply that whilst the Chamber's representation had received the most attentive consideration, it was apparent a knowledge of all the circumstances that surrounded the matter were not in possession of the Chamber. But it has for the present become unnecessary to enter further into a consideration of them as Her

Majesty's Postal (Telegraph) Department has submitted for the consideration of the other parties to the Convention a proposal to modify the Rules relating to the "free repetition" of International messages, which, if accepted, will probably remove the objections raised by the Chamber.

2. The subject of the 11th para. of your Secretary's letter under reply, *viz*, the alleged increase in the errors in telegrams, is being investigated.

3. The concluding para. of your Secretary's letter relating to the increased charge on "figure cipher" messages has already been replied to, *vide* Public Works Department No. 256T, of 4th August last from the 2nd para: of which the Chamber will have learnt that the Government of India has proposed a modification of the existing rules.

From Chamber of Commerce to Govt. of India, Public Works Dept. Simla.

Calcutta, 11*th October* 1876.

The Committee of the Chamber of Commerce desire me to thank you for your letter No. 307 of the 3rd instant in reply to their reference of 22nd July; and to say they receive with satisfaction the announcement that there is a prospect of an amendment of the telegraph regulations to which they have taken exception in their representations to Government.

The Committee will be glad if the result of the submission of these matters to the International Convention is communicated to the Chamber at the earliest opportunity:

and they trust that the investigation regarding increased errors in telegraphic correspondence may have the desirable effect of improving that department of the public service.

New Treaty of Commerce and Navigation between France and Great Britain.

The following copies of despatches between Her Majesty's Foreign Office and the Secretary of State for India have reference to a subject of considerable interest to the commerce of this country.

The correspondence discloses the expectation that the existing treaties and conventions between France and the United Kingdom in matters of commerce and navigation will be superseded by a new treaty ; and, in order that the interests of this country may be fully considered in the approaching negotiations, the Government of India have been requested to place the Secretary of State in possession of their views for representation to the French Government.

Responding to an invitation for the expression of their opinions and submission of any suggestions they might desire to offer, the Committee communicated with the Government of Bengal on the subject in letters which close this paragraph of their Report.

They pointed out that, under existing arrangements, the trade in Indian produce and manufactures exported to France was weighted with almost prohibitory duties, which necessarily resulted in commercial operations with that country being confined within comparatively narrow limits, but which were capable of great expansion by the adoption of a liberal policy and the removal of stringent and restrictive customs tariffs and regulations.

No. 1474.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 5th June 1876.

Revenue Department,
(Land Revenue)

I am directed to forward herewith copy of a letter, No. 216, dated the 24th May 1876, from the Government of India in the Department of Revenue, Agriculture and Commerce, and of its enclosure, and to request that the Lieut.-Governor may be favoured with any suggestions which the Chamber desire to offer on the questions discussed in the correspondence, regarding the anticipated negotiations with the French Government for a new Commercial Treaty.

No. 216.

From Government of India to Govt. of Bengal.

Simla, 24th May 1876.

Commerce and
Trade.

I am directed to forward the accompanying copy of a

Despatch (No. 29, dated the 12th April last), from the Secretary of State for India, giving cover to copy of a communication from the Foreign Office, regarding the representations it will be desirable to make in the interests of India to the French Government in the approaching negotiations for a new Treaty of Commerce and Navigation between the United Kingdom and France, and with reference thereto to request that, after consultation with the Chamber of Commerce at Calcutta, and such local firms doing business with France as it may be considered desirable to consult, the Government of India may be favoured with an expression of the views of His Honor the Lieut.-Governor on the subject.

2. I am to request that a very early reply may be submitted.

No. 29.

To His Excellency the Right Hon'ble the Governor General in Council.

"INDIA OFFICE."

London, 12th April 1876.

Statistics and Commerce.

MY LORD,—I transmit, for the information of your Excellency, a copy of a correspondence with the Foreign Office on the subject of the representations which it is desirable to make, in the interests of India, to the French Government, in the approaching negotiations for

From Foreign Office, 9th March 1876, (with enclosure.)
From Foreign Office, 11th April 1876.

a new Commercial Treaty between the United Kingdom and France.

2. You will observe that I have expressed a general opinion that it is desirable to obtain the utmost facilities which can be granted for the admission, into French ports, of Indian produce and manufactures, free of duty. An important increase may be expected to occur in the direct trade with France as one of the results of the opening of the Suez Canal, and it will be for your consideration to what extent the interests of India and the interests of your revenue might be consulted by alterations in this direction.

3. I shall be glad to be favoured, as early as possible, with the views of your Government on the question generally, and in regard to any special details connected with either trade or navigation which you would wish to have represented to the French Government.

I have, &c.

(Signed) SALISBURY.

To the Under Secretary of State for India.

"FOREIGN OFFICE."

London, 9th April 1876.

SIR,—I am directed by the Earl of Derby to state to you, for the information of the Marquis of Salisbury, that it is expected that communications will very shortly take place with the French Government with the view to the conclu-

sion of a new Treaty of Commerce and Navigation between this country and France.

The existing Treaties and conventions of 1860, 1873 and 1874, of which copies are herewith enclosed, will remain in force until the 30th of June 1877; but the two Governments are of opinion, in the present state of commercial relations between European Powers, that it is advisable that they should enter into communication in order to come to an understanding as to the future treaty engagements between the two countries in matters of Commerce and Navigation.

It will be perceived that the arrangements made in 1860 are limited to the United Kingdom and to France and Algeria and do not extend to the possessions of the other power except in regard to Australian wool, and to Indian cotton and jute. And further that the treaty of 1873 places British and French vessels on a footing of equality in all navigation.

I am to request that you will move the Marquis of Salisbury to give this matter his early attention, and to inform Lord Derby as soon as possible what representations he would wish to be made to the French Government in matters affecting Indian interests in the approaching negotiations with France.

I am at the same time to point out that, when stipulations are made with foreign countries in favour of British possessions, those possessions may have to be bound by the engagements entered into by Her Majesty's Government in matters relating to the United Kingdom.

I am, &c.,

(Signed) T. V. LISTER.

To the Under Secretary of State for Foreign Affairs.

"INDIA OFFICE."

London, 11*th April* 1876.

SIR,—In reply to your letter of the 9th ultimo, I am directed by the Secretary of State for India in Council to say that, in his opinion, it is very desirable that in the anticipated negociations with the French Government for a new commercial treaty, an endeavour should be made for the admission of the raw produce and manufactures of India into French ports free from duty, to the utmost possible extent.

The question is, however, one on which it is necessary to consult the Government of India, to whom your letter will at once be forwarded.

I am, &c.,

(Signed) LOUIS MALLET.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 13*th July* 1876.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 1474 of the 5th ultimo, and to submit the following representation on the subject.

It is satisfactory to learn that, in his reply to Her Majesty's Foreign Department, the Secretary of State for India has expressed the opinion that it is very desir-

able that in the anticipated negociations with the French Government for a new Treaty of Commerce and Navigation an endeavour should be made for the admission, to the utmost possible extent, of the raw produce and manufactures of this country into French Ports free from duty; for if that admission can be secured the commercial intercourse between France and British India will receive an impetus which may lead to an active and valuable extension of a trade in commodities at present weighted with almost prohibitory duties, and create results advantageous to both countries.

On coffee, rice, sugar and oils, &c., the duties are excessively heavy, and the lightest duty leviable on manufactures of jute fully equals the value of the dearest fabric made in Calcutta.

It is obvious therefore that the trade in these and other articles can be conducted at only a very high cost, which naturally limits their exportation and consumption, and cannot be continued except at a range of values materially exceeding those that are realised under less stringent and restrictive customs regulations.

But these regulations applicable to goods imported *direct* from India are rendered the more prohibitory by the circumstance—if the Committee are rightly informed on the point—that if goods are transhipped from any European Port an additional *Surtaxe d'entrepôt* is levied, which of course tells greatly against the trade with France. Few ships are taken up here for Havre and Dunkirk and the trade viâ London or Mediterranean Ports is consequently hampered by this extra charge.

Upholding the principle that a liberal commercial policy is more conducive to the mutual interests of countries dealing with each other than a system which places restraints on the interchange of the fruits of their respective industries, the Committee trust Her Majesty's Government will succeed in obtaining for British India every practicable relaxation of the duties which narrow the limits of its trade with France, if indeed their negotiations do not result in securing the concession of exempting from duty *every* article of Indian production and manufacture that may be admitted into any port of France and of her colonial possessions.

It is hardly necessary for the Committee to press upon the consideration of Government the interests of the jute manufacturing industry of Calcutta: they believe that an entire freedom from duty would largely develop this important branch of trade and enable it to share with the Mills of Dundee the advantages of any demand for jute manufactures that may arise in the markets of France, specially in her southern ports and Province of Algiers, which would naturally draw their supplies from this city.

Calcutta, 14th August 1876.

In addition to the remarks submitted in my letter of 13th ultimo regarding the new Commercial Treaty between England and France the Committee of the Chamber of Commerce direct me to state that recent advices impress them with the belief that the French Government purpose levying a duty of 60 centimes per cwt., on oil seeds, and that the adoption of such a measure will undoubtedly curtail the export of those articles to France.

The policy is obviously a protective one, and opposed to the principles on which Her Majesty's Government would desire to see the trade between India and France conducted.

Supply of Water to the Shipping.

For some years past the shipping of the Port obtained supplies of pure drinking water through the Commissioner of Police on behalf of the Municipality, and vessels conveniently situated had filtered water delivered into tanks on board at a charge of 8 rupees per 1,000 gallons ; but vessels not so situated were supplied by native contractors. That agency would probably have been equally suitable and serviceable had it been conducted with common honesty : but while the contractors paid the Justices for pure filtered water at 4 rupees per 1,000 gallons they charged the shipping at double that rate for an adulterated mixture of partly filtered and partly foul water with which they filled up their boats from the river, and which they did not scruple to supply with all its impurities, regardless of consequences to those who consumed it. On this discovery it was held expedient to make other arrangements ; and it was proposed by the Chairman of the Justices that the Port Commissioners' offer to undertake the entire supply of water to the shipping, should be accepted ; but the Justices declined it on grounds

which in the judgment of the Chamber were of the most illiberal and insufficient character, and the Committee considered it their duty to address that Body in the following representation.

From Chamber of Commerce to the Municipal Corporation.

Calcutta, 10*th August* 1876.

The Committee of the Chamber of Commerce desire me to address you on the subject of water supply to the shipping of this Port.

The Committee have noticed with much concern the result of the discussion of this question at the Quarterly Meeting of the Corporation held on the 27th of last month, and greatly regret the decision arrived at.

In their judgment the proposal of the Chairman involved a most reasonable compliance with the Port Commissioners' application to be permitted to supply the shipping with water of the same purity as the residents of Calcutta consume—not as a free gift at the expense of the tax-payers of the city, but at the cost and charges of those for whom they asked the concession and on terms which would add to the revenue of the Corporation: and to veto a proposition of such a character is to deprive the sea faring section of the public, European and Native, of a benefit which, instead of being illiberally withheld, should be, the Committee submit, generously and ungrudgingly bestowed.

The objection to the proposal appears to rest on the ground that the present supply of pure water is insufficient for the necessities of the city generally; that a preferential claim exists on the part of some of the poorer classes who have not convenient access to the ordinary means of satisfying their requirements, and that a sufficient supply should reach them before any concession can be made to the shipping.

The Committee are of opinion that that objection may be answered by declaring that any insufficiency in the supply of water for the requirements of all the inhabitants in every locality of the city is attributable, in a very great degree, to the uncontrolled waste which no adequate measures are apparently taken to prevent, and which probably far exceeds the quantity that would satisfy not only the wants of the people occupying the obscure parts of the town but the requirements of the shipping.

The Committee would further point out that in their opinion the Port Commissioners are entitled, as contributors to the water taxation of the city, to demand as a right what the Corporation decline to grant as a privilege; inasmuch as they not only contribute largely to the revenue of the Municipality but are also prepared in advance to pay 8 times the amount charged to other tax-payers; and it appears to the Committee that the shipping interest merits other treatment at the hands of the Corporation than exclusion from a benefit it is prepared to purchase, and that legislation must be appealed to for the removal of an obstruction thrown by an intolerant and selfish policy in the way of vessels visiting this port, whose services and necessities appear to be unappreciated and un

cared for. It is the commerce of Calcutta that has made and maintains her the large and wealthy city she is: deprived of her commerce and her shipping she and with her her Municipality would sink into utter insignificance. Independently therefore of the reasons given above, and on this ground alone the present action of the Municipality appears to the Committee the most short-sighted policy for their own interests that they could have adopted—the more especially as the total annual wants of the shipping would not exceed, even if they amounted to, a single day's consumption by the entire population of Calcutta.

The privilege of purchasing pure water at a high rate is allowed to the inhabitants of the suburbs, and it appears to the Committee not only illiberal but unreasonable to refuse the same privilege to ships within the limits of the town, and therefore on the same footing as residents, when they are willing to purchase it at so greatly enhanced a price.

No. 262.

From the Corporation of the Town of Calcutta to Chamber of Commerce.

Calcutta, 19th August 1876.

I am desired by the Chairman to acknowledge receipt of your letter dated 10th instant, respecting the discussion by the Commissioners at their Quarterly Meeting held on the 27th ultimo on the subject of water supply to the shipping of this Port.

2. In reply I am desired to say, that although the Commissioners refused to permit the Chairman to enter into the arrangement suggested with the Port Commissioners, the resolution carried did not order the supply of water to the shipping to be stopped.

Special Trains for Overland Mails from Bombay.

From Chamber of Commerce to Director-General of Post Office of India.

Calcutta, 25th April 1876.

The frequent arrival of the overland mail steamers at Bombay at an early hour in the morning and the detention of the mails until the departure of the ordinary train at 6 in the evening induce the Committee of the Chamber of Commerce to inquire if it is not possible to obviate that detention, and to accelerate the delivery of letters for distant destinations?

On two occasions during the current month—the 6th and 20th instant—the mail packets were signalled before 6 A. M., and as the mails did not leave till 6 P. M., they were kept waiting in the Bombay Post Office for nearly 12 hours: and the Committee desire me to request you will favor them with the expression of your opinion whether the mails could not be transmitted under special arrangements so as to overtake the previous night's train at Jubbulpore or Allahabad: and whether the Government of India would sanction such acceleration and the cost thereof, if the saving of the time otherwise lost at Bombay could be so accomplished.

From Director-General of the Post Office of India, to Chamber of Commerce.

Simla, 5th May 1876.

I have the honor to acknowledge the receipt of your letter of the 25th ultimo and in reply to state for the information of the Chamber that under existing regulations, a special train is employed for the conveyance of the overland mails from Bombay on all occasions when it is possible to catch up the ordinary train before the latter leaves Jubbulpore.

2. To overtake the ordinary train before or at Jubbulpore it is necessary to start the special train before or at midnight, so that it is only in the event of a late afternoon or evening arrival of the mails that the employment of a special train is of any advantage. The rule prescribed for the Bombay Post office is that a special train should be used when the last batch of overland mails reaches the Bombay Post office between 6-15 and 11-30 P. M. If this period were extended by 2 hours the special train starting at say 1-3 A. M. would not overtake the ordinary train before Allahabad.

3. The use under present rules of a special train as far as Jubbulpore involves a cost of Rupees 1,848, and the use of a similar train as far as Allahabad (although this has not been sanctioned by the Government) would cost at the same rate about Rs. 2,535.

4. To provide for the prompt transmission of overland mails arriving at Bombay (as in the cases referred

to by you) early in the morning, nothing short of a special train all the way to Calcutta would do: and the cost of such a service would not in my opinion be warranted by the circumstances or sanctioned by the Government.

Overland Parcel Post.

From Chamber of Commerce to Director General of the Post Office, Simla.

Calcutta, 30th June 1876.

The attention of the Committee of the Chamber of Commerce has been drawn to the new postal regulation which comes into force from to-morrow, the 1st July, under which the limit of weight of samples sent by Pattern Post has been fixed at 8oz.; whilst that allowed for printed documents &c., has been fixed at 2lbs.

Under the *present* regulation, which will thus be superseded, merchants have constantly availed themselves of the privilege of sending home, viâ Brindisi, samples of different kinds of produce, and this has been attended with much convenience, but the reduction of the present limit of 5lbs to 8oz. will render it practically impossible to send such samples by post, because the packages which convey them must necessarily be of sufficient strength and of a weight which would, as a rule, exceed the limit, and the rule becomes almost prohibitory.

It is therefore submitted that the weight of packets of samples of merchandise should be at least equal to the

weight allowed for printed papers and legal and commercial documents, if indeed it is not permitted to exceed the 2lbs limit for the latter.

No. 3109.

From Post Office of India to Chamber of Commerce, Calcutta.

Simla, 18th August 1876.

In reply to your letter, of the 30th June, I have the honor to state, for the information of the Committee of the Bengal Chamber of Commerce, that I hope shortly to be in a position to notify the restoration of the old limit of weight (5lb.) in respect both of book packets and sample packets addressed to the United Kingdom, whether sent viâ Southampton or viâ Brindisi.

No. 4729.

From Post Office of India to Chamber of Commerce, Calcutta.

Simla, 26th October 1876.

In continuation of my No. 3109 dated the 18th August 1876 I have the honor to state that the restoration of the old limit of weight (5lb.) in respect of Book and Pattern packets exchanged between India and the United Kingdom has now been arranged, and that the change will be included in notification respecting Foreign Post correspondence now under issue by the Government of India.

NEW MEMBERS.

Messrs. Got, Bru and Co., and Messrs. A. R. McIntosh and Co., have been elected by the Committee members of the Chamber, subject to confirmation.

FUNDS OF THE CHAMBER.

The Chamber's balance on 31st October amounted to Rs. 2,009-10-6, exclusive of Rs. 10,000 in 4 per cent Government Securities.

J. C. MURRAY,

President.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce from 1st May to 31st October 1876.

				Rs.	A.	P.			Rs.	A.	P.
To Office Rent ...	...	...		900	0	0	By Balance of 1st May 1876 :				
,, Establishment	...	...		5,657	12	3	Cash in Bank of Bengal ...	20 5 0			
,, Charges General	...	...		3,314	6	3	,, in hand ...	1,094 0 0			
				9,872	2	6		1.114 5 0			
							Government Paper ...	10,000 0 0			
									11,114	5	0
,, Balance—											
Cash in Bank of Bengal		20	5	0							
,, in hand	...	1,989	5	6			,, Subscriptions	7,706 0 0			
Government Paper	...	10,000	0	0			,, Receipts from Price Current	3,067 8 0			
				12,009	10	6			10,767	8	0
		Rupees		21,881	13	0		Rupees	21,881	13	0

CALCUTTA,
31st October 1876.

E. E.

H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the PORT OF CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 12th February 1872, with effect from 1st September 1872, except as regards the measurement of Cotton, Hemp, Jute, Jute Cuttings, Rhea, Safflower, and other articles similarly packed, which, under the Chamber's Resolution of 14th June 1872 had effect from 1st July 1873.

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Aloes, in bags and boxes	20	.....
Alum, in ditto	20	.....
Aniseed, in bags	8	.....
Arrowroot, in cases	.....	50
Arsenic, in bags or cases	20	.....
Asafœtida, in bags and boxes ...	20	.....
Apparel, in boxes	.....	50
Bark, in bags	8	.....
Bees' Wax	20 gross	
Barilla	20	.....
Betel-nut	20	.....
Books	.....	50
Borax	20	.....
Bran	14	.....
Brimstone	20	.....
Bullion	at per cent.	
Cake-lac, in bags	16	.....
Camphor, in cases	.....	50
Cardamoms, in robins	8	.....
,, boxes	.....	50
Cassia, in boxes	.....	50
,, bags	12	.....
Castor Seed	15	.....
Chillies, (dry) in bags	8	.....
China Root, in bags	11	.....
,, boxes	.....	50
Chiretta	.....	50
Churrah	14	.....
Cigars	.....	50
Cloves, in bags	8	.....
,, boxes	.....	50
Coals	20	.....
Cochineal	.....	50
Coffee, in bags	18	.....
,, casks	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Coral, rough	20	.....
Coir, loose and unscrewed ...	12	.....
Copras, or Cocoanut Kernel ...	14	.....
Coriander Seed	12	.....
Cotton	.....	50
Cowries	20	.....
Cummin Seed	8	.....
,, Black	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
,, dry	16	.....
Dholl	20	.....
Elephants' Teeth in bulk	20	.....
Furniture	.....	50
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Gums, in cases	.....	50
Gunny Bags and Gunny Cloth ...	.....	50
Gunjah	.....	50
Hemp	.....	50
Hides, Buffalo, or Cow, cured ...	14	.....
Hoofs, Horn Shavings and Tips ...	20	.....
Horns, Cow, Buffalo, or Deer ...	20	.....
India Rubber, in bags	16	.....
,, in cases	.....	50
Indigo	.....	50
Iron	20	.....
Jute	.....	50
Jute Cuttings	.....	50
Lac Dye	.....	50
Lard	20 gross.	
Linseed	20	.....
Mace	.....	50
Machinery	20	.....
Metals	20	.....
Mathie Seed	18	.....
Mirabolams	16	.....
Molasses	2 puncheons or 4 hhds.	
Mother o'Pearl, in bags	20	.....
,, chests	20	.....
Munjeet	.....	50
Mustard or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	.....	50

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	50
„ casks	4 hhds.	
Opium	per chest	
Paddy	16	.....
Palmatine, in bags	16	.....
Peas	20	.....
Pepper, Long	12	.....
„ Black	14	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Putchuck	10	.....
Rags	.....	50
Raw Silk, in bales	10	.....
Rattans for dunnage	20	.....
Red Wood, ditto	20	.....
Rhea	.....	50
Rice	20	.....
Rope, in coils	.....	50
„ Lines and Twines, in bundles ...	16	.....
Rum, in casks	2 puncheons or 4 hhds.	
Safflower	.....	50
Sago, in cases	.....	50
Sal-amoniac, in bags	20	.....
„ boxes	20 gross.	
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	.....	50
Seed-lac, in cases	.....	50
„ bags	16	...
Senna	.....	50
Shells, rough, in bags	20	.....
Shell-lac, in cases	.....	50
„ bags	16	.....
Silk Chussum	.....	50
„ Waste	.....	50
Silk Piece Goods	.....	50
Skins	14	.....
Soap, country, in cases	.....	50
„ bags	15	.....
„ bar	20	.....
Stick Lac, in cases	.....	50
„ bags	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Sugar	20	.....
Tallow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks.. ...	20	.....
Tapioca	.....	50
Tea	.....	50
Teel Seed	20	.....
Timber, round	.....	40
„ squared	.....	50
Tincal	20	.....
Tobacco, in bales	16	.....
Tortoise Shells, in chests	.....	50
Turmeric	16	.....
Wheat	20	.....
Wool	.....	50

1. Goods in Casks or Cases to be calculated gross weight when paying freight by weight ; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in bales varying from 300 to 400 lbs.

4. The term " dead weight" shall be understood to mean the following articles :—Sugar, Saltpetre, Rice, Wheat, Gram, Dholl, Peas, Linseed, Rapeseed and all Metals.

H. W. I. WOOD,

Secretary.

SCHEDULE OF COMMISSION CHARGES,

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce held on the 18*th June* 1861,—*with effect from* 1*st January* 1862.

1.	On the sale, purchase, or shipment of Bullion, Gold Dust or Coin	1	per cent.
2.	On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones, or Jewellery	2½	„
3.	On purchasing ditto when funds are provided by the Agent	5	„
4.	On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ...	5	„
5.	On returns for Consignments if made in produce ...	2½	„
6.	On returns of Consignments if in Bills, Bullion, or Treasure	1	„
7.	On accepting Bills against Consignments ...	1	„
8.	On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ...	2½	„
9.	On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2*s.* per rupee.	half com.	
10.	On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent ...	2½	per cent.
11.	On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived	2½	

12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money ... ... 2½ per cent.
13. On *del-credere* or guaranteeing the due realization of sales ... ... 2½ „
14. On the management of Estates for Executors or Administrators ... ... 2½ „
15. On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading ... ... 2½ „
16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ... 2½ „
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive 5 „
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings .. ... 5 „
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file ... ... 2½ „
20. On realising inward freight, inward troop, Emigrant, or Cabin passage money ... ... 2½ „
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold .. 5 „

If Opium, Indigo, Raw Silk, or Silk Piece Goods... 2½ „
If Treasure, Precious Stones, or Jewellery, ... 1, „

22. On effecting Insurances, whether on lives or property ... ... ½ per cent.
23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium ... ... 2½ „
24. On drawing, purchasing, selling, or negotiating Bills of Exchange ... ... 1 „
25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... 2½ „
Or if recovered by such means ... ... 5 „
26. On Bills of Exchange returned dishonored ... 1 „
27. On collecting House Rent ... ... 2½ „
28. On ship's Disbursements ... ... 2½ „
29. On realising Bottomry Bonds, or negotiating any loan on *respondentia* ... ... 2½ „
30. On granting Letters of Credit ... ... 1 „
31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another ... ... ½ „
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ½ „
33. On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged ... ... ½ „

☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

Agelasto, A. and Co.
Apcar and Co.
Ashburner and Co.
Anderson, Wright and Co.
Balfour, J., *Offg. Agent, Oriental Bank Corporation*
Barlow and Co.
Begg, Dunlop and Co.
Bloch, J., *Offg. Manager, Comptoir D' Escompte de Paris.*
Borradaile, Schiller and Co.
Buskin, E. G.
Burn and Co.
Calder, G. L., *Offg. Agent of the Eastern Bengal Railway Company.*
Carlisles Nephews and Co.
Caritt & Co.
Cochrane, S., *Manager, Agra Bank, Limited.*
Colvin, Cowie and Co.
Crooke, Rome and Co.
Cox, Henry S.
Cohn Brothers and Co.
DeSouza, Thos. and Co.
Duncan Brothers and Co.
Dwarkanath Dutt and Co.
Ede and Hobson.
Ernsthausen and Oesterley.
Ewing and Co.
Elliott, John and Co.
Ezra, E. D. I.
Fergusson, J. H. and Co.
Finlay, Muir and Co.
Gisborne and Co.
Got, Bru & Co.
Graf and Banziger.
Graham and Co.
Grindlay and Co.
Gubbay, Elias S.
Henderson George and Co.
Heilgers, F. W. and Co.
Hoare, Miller and Co.
Howe, Goodwin & Cole.
Huber and Co.
Jardine, Skinner and Co.
Kettlewell, Bullen and Co.
Kelly and Co.
Ker, Dods and Co.
King, Hamilton and Co.
Longmuir, T., *Manager, Delhi and London Bank, Limited.*
Lovell, H. P., *Supdt., P. & O. Steam Navigation Company.*
Mackillican, J. and Co.
Macallister, R. and Co.
Mackinnon, Mackenzie and Co.
Mackenzie, Lyall and Co.
Macneill and Co.
Macknight, Anderson and Co.
McIntosh, A. R. & Co.
Moran, W. and Co.
Morriss, E., *Agent, Hong-Kong and Shanghai Banking Corporation.*
Nicol, Fleming and Co.
Petrocochino Brothers.
Prawnkissen Law and Co.
Ralli Brothers.
Ralli and Mavrojani.
Reinhold and Co.
Robert and Charriol.
Rentiers and Co.
Robinson, S. H., *Secretary, Goosery Cotton Mills Co.*
Reid, J. M., *Agent, Chartered Mercantile Bank of India, London, and China.*
Simpson, J., *Agent, Chartered Bank of India, Australia and China.*
Schroder, Smidt and Co.
Schoene, Kilburn and Co.
Sassoon, David and Co.
Shaw, Finlayson and Co.
Steel, Octavius & Co.
Thomas, J. and Co.
Turner, Morrison and Co.
Toulmin, L. W. and Co.
Tamvaco and Co.
Tambaci, Paul and Son.
Ullmann, Hirschhorn and Co.
Valetta, N. J. and Co.
Weinholt Brothers.
Wilson, H. F., (*Mofussil.*)
Windram, J., *Manager, National Bank of India.*
Whitney Brothers and Co.
Williamson Brothers and Co.
Wiseman, Mitchell, Reid and Co.
Yule, Andrew and Co.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

First .... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second.... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.

Third.....That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.

Fourth....That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth.....That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth ... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven Members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth.... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature ; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the Members of the Committee shall be forthwith filled up by selection by the Committee subject to approval at first ordinary general meeting thereafter.

☞ *It is specially requested that before a Member is returned to serve on the Committee his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.*

Ninth... That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.

Tenth... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.

Eleventh. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.

Twelfth. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Thirteenth. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting, at which such report and proceedings of the Committee shall be submitted for approval.

Fourteenth. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Fifteenth. That General Meetings of the Chamber shall be held at such times as the Com-

mittee may consider convenient for the despatch of business.

Sixteenth. That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.

Seventeenth. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.

Eighteenth. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.

Nineteenth. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.

Twentieth. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.

Twenty-first. That the Chamber reserves to itself the right of expelling any of its members

such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third... That no change in the rules and regulations of the Chamber shall be made except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

Cones and Co., No. 19, Loll Bazar.

REPORT

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st November 1876 to 30th April 1877.

Calcutta:

Cones & Co., No. 307, Bow Bazar Street.

1877.

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PROCEEDINGS

OF THE

HALF-YEARLY GENERAL MEETING

OF THE

BENGAL CHAMBER OF COMMERCE,

held on Wednesday the 30th May 1877.

J. C. MURRAY, ESQ., *President, in the Chair.*

The Chairman addressed the Meeting in the following remarks :—

Gentlemen,—You will not find many new subjects treated in this Report, the majority of them being matters that have been already before you. The *Budget* is of course new. We have only given in the Report an abstract of the speech delivered before the Legislative Council— a speech, I may remark, from its clear, comprehensive, and lucid exposition of the views and position of the Government, presenting a striking contrast to the bare array of figures and dry details to which we were formerly treated. The weak point in this otherwise able speech is the uncertainty in which the action of the Government in respect of their loans and the issue of the Council Bills is shrouded. There is certainly a shadowy programme put forward ; but the Government do not pledge themselves to carry it out, and they distinctly reserve to them-

selves the right of departing from the line indicated, and being guided solely by circumstances as they may arise. This reservation was perhaps only a wise caution at the time: but two months and a half have passed away, and the commercial public are still left in the dark as to their intentions. As the prosperity of commerce is so intimately connected with the steps that Government may take, and as it is so necessary to us to have early intimation of their intentions, and that such intentions once announced should be rigidly adhered to, the Committee had determined to address the Government on the subject. In this they have, however, been forestalled by the Bombay Chamber, who have lately sent us a copy of their memorial on the subject, and asked for our co-operation. We have not yet had time to write to the Government, but we have promised the Bombay Chamber our hearty support. In making this promise, I knew that I was pledging our successors, and under ordinary circumstances I would have been chary of giving such a promise. This is a subject, however, that has been so often before, and so freely and fully, discussed in this room, and the inconvenience arising from the previous vacillating policy of the Government last year is still so fresh in our minds, that I believe I have but promised what the new Committee will be only too glad to fulfil.

The second point in the Report to which I shall allude, and far the longest one in it, is the *Block on the East Indian Railway.* The Committee generally, and myself especially, have been blamed by some for supposed inactivity in the matter. A perusal of the Report will, however, acquit us of this accusation. In fact, no amount of energy on the part of the Committee, or myself, could have given the Railway Companies additional carrying power. We took the subject up before our last meeting, as far back as the 18th January, and we were informed in reply that an indent for 1,000 new wagons had been before the Government of India for sanction for some time. Writing on the 20th March, the Agent of the East Indian Railway tells us that the insufficiency of their rolling stock was represented to the Government about three months previously, and their request for the construction of 1,000 new wagons was submitted about a month subsequent; "that attention had been drawn to this request on more than one occasion, but up to the present time no definite intimation of sanction or other action has been received." This is strong writing on his part, but it is not stronger than circumstances warranted. Why should there have been delay in giving the required sanction? The enlargement of our *wheat* trade, if they had known anything of the trade of the country, ought to have been fully recog-

nized by the Government; and they cannot plead ignorance of their own famine requirements ; and yet, with all this before them, it was not till the 6th April that the sanction was given. The Chamber, who had a full knowledge of all these facts, are on the 1st May informed, in the quietest manner possible, that the sanction was given "at the very earliest moment consistent with a verification of the representation." Truly, complications, losses, law suits, the disorganization of the trade of the two largest ports in the Country, are as nothing in the eyes of the Circumlocution Office.

While on the subject of the East Indian Railway, I would express a hope that the recent notification reducing the free time at Howrah to 24 hours is not to be permanent. It is quite necessary in times like the present to keep the terminus clear, but it would be a hardship to shippers to continue it after the block is over.

The terminal tax on Coal has continued to claim the attention of the Committee. The subject is still under the consideration of the Government, and this great industry must continue to bear the unjust impost till they decide on its removal.

Jetty Charges.—This was referred to at our last meeting, and the Committee have protested

against any deviation of revenue for increase to block. This principle has been clearly laid down in the case of Railways by the Secretary of State, and it should also be strictly carried out in the matter of the Jetties.

The *Survey of the river* and proper regulations for *Cargo boats* are matters remaining for the pleasure of the Government. The new Merchant Seamen's and Custom's acts are to settle these, but it is impossible to prophesy when they will be brought forward.

Trade Marks, the *Coolie Strike,* and the *Jute Warehouse Act* in the inequality of its administration, are all subjects that have been taken up by the Committee, but have not sufficiently advanced to be included in our report. I recommend them to the careful attention of the new Committee. With regard to the coolie strike I may say that the recommendation of the Commissioner of Police has been for some weeks before members for suggestions. Up to this time the replies we have received are very few. The Commissioner's proposal to place the coolies under the Stevedores, who are to form themselves into a sort of "*guild,*" appears to me open to the worst evils of "trade unions," and that it would place us in a worse position than ever in the event of another strike.

You will remember that in our last Report we took up the question of the way in which so-called distressed seamen are, under a late Act, forced on ships. It has come to my knowledge that the surplus fees from the Shipping Master's office, amounting to a fair sum at the end of the year, are regularly carried to the credit of Government. As this money is received from sailors, it appears nothing but fair that any surplus should be used for the benefit of sailors in distress by providing them with regular passages. At present, a so-called distressed seaman is not obliged to work on board, and we all know there is no more fruitful source of danger than an idle man in the forecastle of a ship.

These are all the remarks I have to make on the Report, and I will therefore now propose *"that the Committee's Report for the half-year ended 30th April 1877 be adopted."*

The resolution was seconded by Mr. A. B. Inglis, and carried.

Mr. W. P. DUFF said :—Sir, I rise to propose that the action of the Committee in electing Mr. Crawford as an honorary member of the Chamber be confirmed. It affords me great satisfaction to be allowed to put this resolution forward for your confirmation, for Mr. Crawford is an

old friend of mine. I have known him for many years, and I am sure the Committee's appreciation of his services is fully merited. I have to propose "*that the Committee's election of Mr. J. A. Crawford, Collector of Customs, Calcutta, as an honorary member of the Chamber be confirmed.*"

The resolution was seconded by Mr. Evan A. Jack, and carried.

The Chairman said:—It was in contemplation to bring forward a third resolution for the purpose of amending one of the standing rules of the Chamber; but it has been lately brought to our knowledge that the last portion of the resolution has been called into question. As therefore it is a large subject, and cannot very properly be discussed just now, it had better be postponed, and left to the new Committee to deal with, either themselves or by a Sub-Committee.

I will now call upon the scrutineers to declare the result of the votes for the Committee for the present year.

Messrs. Elliot and Clarke declared the result to be as follows:—Mr. B. D. Colvin, *President*; Mr. J. Flemington, *Vice-President*; Messrs. A. B. Inglis, D. Mackinnon, S. A. Micrulachi, G.

Froeschmann, and Evan A. Jack, *Members of Committee.**

Mr. INGLIS proposed a vote of thanks to the retiring President and members of the Committee for their services during the past year. The motion was seconded by Mr. John Horne, and carried.

The Chairman on behalf of himself and the members of the Committee returned thanks, and the meeting came to a close.

H. W. I. WOOD,
Secretary.

* *Messrs. Colvin and Flemington being unable to accept the offices to which they were elected, the usual procedure will be adopted.*

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year ended 30th April 1877.

THE Committee submit their Report on the principal subjects which have come under consideration during the past half-year.

THE BUDGET FOR 1877-78.

THE system inaugurated in 1861 by the late Right Hon'ble Mr. James Wilson of submitting annually to the Legislative Council of the Government of India a statement of the financial condition of the country was continued till March 1873.

On that occasion as there was no legislative measure of taxation to be brought forward in connection with the Budget of the ensuing year the usual statement was not made in Council, in conformity with the Indian Councils Act; and for the same reason a like course has been since adopted until this year.

On the 15th March last the reverting to the former practice was justified by the necessity for submitting two important bills for legislative deliberation and approval; and in introducing those measures the Budget was presented by the Finance Minister, the Hon'ble Sir John Strachey, in a most clear and comprehensive exposition of the financial circumstances of the country, of the present position of Government, its future policy, and various methods and means for amending and improving its condition.

The accounts for 1875-76, the regular estimates for 1876-77, and the budget estimates for 1877-78, exhibit surplus of revenue over expenditure; but the charges for famine and extraordinary works have not only absorbed those balances but closed the accounts of each year with heavy deficits.

The salient points of the Budget are that there will be no fresh imperial taxation this year, but a levy of £375,000 for Bengal and the North-Western Provinces on account of local public works; that loans will be opened in England and India for $6\frac{1}{4}$ millions sterling: that the cost of unremunerative public works and expenditure incurred on account of periodical famines shall be treated as ordinary charges to be provided from revenue; that the Inland Customs Lines and

Sugar duties shall be abolished as soon as practicable ; that the Salt duties shall be equalised and reduced ; that the import duties on cotton goods shall be removed with the least possible delay : but that all measures of fiscal relief shall be postponed this year on account of famine. The amount of Bills to be drawn upon Indian treasuries by the Secretary of State in 1877-78 is estimated at Rupees 13,85,00,000 or £12,250,000 at exchange of 1*s.* 9¼*d.* per rupee.

DEPRECIATION OF SILVER.

Annexed is copy of letter to the Chamber from the Government of India, as to the effect on trade, remittances, and prices, of the recent fall in the price of silver. This reference has been made at the instance of the Secretary of State. The Chamber's reply is also added.

From Govt. of India to Chamber of Commerce.

Calcutta, 16th January 1877.

In forwarding a copy of a despatch from the Secretary of State No. 112 dated 31st October 1876, I am directed to request that the Governor General in Council may be favored, as early as convenient, with the opinion of the Chamber of Commerce on the effect which the fall in the price of silver may have had on trade, on remittances and on prices in India.

2. As indicated in the last paragraph of the despatch, any facts given to the latest date possible, which throw any light on the subject of the effect of the depreciation of silver, will be helpful and very acceptable.

India Office,

London, 31*st October* 1876.

Statistics and Commerce,

No. 112.

To His Excellency the Right Honourable the Governor General of India in Council.

My Lord,—Para. 1. In a letter addressed to the Foreign Office on the 28th of August, of which a copy is herewith forwarded, the Secretary of State for Foreign Affairs was requested to issue instructions to Her Majesty's Ministers abroad for the transmission, in time for presentation to Parliament at the beginning of the next Session, of all information which could be obtained respecting the measures adopted, or in progress, that have any bearing on the question of the depreciation of silver.

2. I shall be glad to be furnished at the same time with a note conveying in a succinct form all information that it may be in the power of Your Excellency to supply regarding the effect which the fall in the price of silver may have had on trade or remittances, and on prices in India, as well as a narrative of any applications made to your Government with the view of supplying a remedy

for the existing state of things, and of the action you have taken thereon.

3. It is not desirable that this note should enter on a discussion of the question, further than to recapitulate such arguments as may have been brought forward in the correspondence ; but any facts which throw any light on the subject should be given to the latest date possible.

I have the honour to be,

My Lord,

Your Lordship's most obedient humble Servant,

(Signed) SALISBURY.

ENCLOSURE.

India Office,

28*th August* 1876.

SIR,—With reference to the letter addressed to the Secretary of State for Foreign Affairs on the 20th of last March by Mr. Goschen, the Chairman of the Select Committee of the House of Commons on Depreciation of Silver, I am directed by the Secretary of State for India in Council to request that the Earl of Derby will be so good as to issue instructions to Her Majesty's Representatives and Consuls in foreign countries to continue to supply from time to time all the information which it may be in their power to obtain with regard to the production and distribution of silver, the exports and imports of that metal, coinage, legislation respecting currency, and any other particulars that bear on the question of the present depreciation of silver.

Lord Salisbury is particularly desirous of receiving any further information which can be procured from the United States regarding the yield of the mines, more particularly those in Nevada, in the years 1875 and 1876, and their probable future production during the next few years; regarding the exports of silver from California as well as New York; and regarding the legislative measures adopted or contemplated for the regulation of the currency, and the demands of the Government for the domestic use of the country. Lord Salisbury would also be glad to learn the result of any inquiries which it may be in Sir Edward Thornton's power to institute respecting the effect produced by the recent discoveries on the working of the Mexican and other mines on which the supply mainly depended in former years.

Information of a similar character respecting the South American mines, and the exports from the several republics of South America, is also very desirable.

With regard to Germany, Lord Salisbury will be glad to be furnished with any information that can from time to time be procured regarding the disposal of the surplus stock of silver, the extent to which the disused currency is withdrawn from circulation, the demand which may arise for further supplies of silver as subsidiary coinage, and the operations of the Government or the legislature for the further demonetisation of the silver currency.

Particulars regarding the progress of demonetisation, and the exports of silver, in Sweden, Norway, and Denmark would also be of value.

The attitude of the Government of France at the present time is of peculiar interest, and Lord Salisbury will be glad of any reports from Lord Lyons in regard to the suspension of the coinage of silver five-franc pieces, the accumulation of gold and silver relatively in the Bank of France, and the issue of coin for the use either of the French people or of the other States forming the Latin Union. Information with respect to the imports and exports of silver, and the operations of the currency, might also be obtained from Belgium, Italy, and Switzerland; and it is especially interesting to ascertain the course adopted in Holland under the peculiar circumstances in which that country is placed.

Lord Salisbury will also be glad to learn how far the absorption of silver by Russia and Spain continues.

In all these cases it is not his desire to limit the reports, which he trusts Her Majesty's Representatives will furnish, to the particular points mentioned, as it is only by carefully noting any information that can be obtained respecting the relation between the demand for silver and its production that the Government can hope to be in the position of arriving at accurate conclusions regarding the influence of the present depression of silver on the finances of India.

It would be convenient that the reports should be made from time to time in the event of any information being available, and that in the case of each country, an account should be supplied of the position of affairs towards the end of the year, so as to admit of the documents being

prepared for presentation to Parliament on its reassembling next year.

I am, &c.,
(Signed) LOUIS MALLET.

The Under Secretary of State for Foreign Affairs.

From Chamber of Commerce to Govt. of India, Financial Department.

Calcutta, 10th March 1877.

I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt, with its enclosures, of your letter No. 162 of the 16th January, requesting the opinion of the Chamber on the effect which the fall in the price of silver may have had on trade, on remittances, and on prices in India.

I am further directed to inform you in reply that in the opinion of the Committee the effect of the depreciation in the value of silver has been to cause heavy losses to all importers of piece goods, the values of which while they remained firm in England scarcely advanced here at all, and the proceeds when remitted home at the low exchange were insufficient to cover original cost. The evil was aggravated by the uncertainty that attended the course of the exchange market, which prevented importers having any solid basis of calculation for their transactions, and drove them in self-defence to secure their exchange beforehand. The effect on prices of exports was to raise their values in the Calcutta market, as the low rate of exchange

enabled the exporter to pay a higher rupee price without increasing the "laying down cost," or sterling value. This additional price was the profit made by the "native middlemen," or the holders of produce in the port of exports; the Committee have grave doubts whether any portion of this extra price ever found its way to the ryot and producer. Had the depreciation lasted longer, or should it again occur, the native merchant would no doubt have to share this profit with the producer, as the depreciation of a currency if continued sufficiently long must raise the value of all articles, even those of daily and necessary use, and the ryot would reap the benefit of such universal rise in enhanced rates for his produce. But they would neither of them gain much in the long run as, though they would both get higher prices for the produce of the land or of their labor, they would have to pay equivalently higher rates for all the necessaries or luxuries that they would have to buy from others. The native dealer is quick to take advantage of every circumstance that would warrant higher prices from the exporter, but slow in recognizing the necessity of dropping prices, though he is sharp enough in demanding lower rates when he himself is the purchaser from the ryot or producer. It will be seen from this that prices may rise materially, and even continuously, on the European exporter at the large marts, and no benefit accrue to the cultivator, producer, or manufacturer in the interior of the country till prices of all necessaries of life, or a general rise throughout the country, enable him to demand an enhanced rate. All articles of purely or mainly of European production are in some measure exceptions to this rule. Tea, for example, is grown only by Europeans; and as it is sold direct to the exporter at public auction no middleman is em-

ployed, and the tea planter reaps all the benefit of such extra price as the lower rate of exchange enables the exporter to pay. The coolies on the gardens are, however, under agreement and do not participate in this. In indigo and silk, which are almost entirely of European production or manufacture, no middlemen are, as a rule, employed, as those articles are sold here by public auction, or shipped to European markets on owners' account. The proprietor of the factory or filature gains the advantage of the rise of price, but this does not filter down to the native cultivator, except after some time, when prices have generally risen for other articles as well. On the whole, therefore, it may be assumed, as a general rule, that the depreciated value of silver and the consequent fall in the rate of sterling exchange made itself at once felt wherever the holder of produce came into close contact with the exporter, but its effect was not so apparent in the mofussil, nor did it last sufficiently long to admit of the lower laboring or working classes reaping any benefit.

To that large class of Europeans, with fixed incomes, who are forced to supply many of their daily necessary wants from stores of European shop-keepers, and who are under necessity of making remittances home for their families, the hardship has been very great. They found not only that the increased cost of their remittances seriously impaired the balance of income retained for their own support, but that even this reduced balance was still further cut into by the higher prices the European shopkeeper put on his goods. Though exchange has since risen, these higher prices are still retained, owing to the uncertainty as to the future. The hardship therefore to

all those requiring to make remittances to England, and are compelled to use goods of English manufacture, continues with little abatement.

THE BLOCK OF TRAFFIC ON THE EAST INDIAN RAILWAY.

This matter was brought before Members at the last Half-yearly Meeting, and since then the inconvenience and latterly the comparatively almost entire stoppage of the traffic has been so serious, that the Committee have been in constant communication, both personal and by letter, with the Railway authorities. The mass of complaints they have received shows how very deeply the trade of the port is affected by the inability of the Railway Companies to cope with the suddenly largely increased traffic poured in on them. This increase has been so rapid, and their inability has been so largely added to by the strain on their resources, caused by the famine, that the Committee fear the case is hopeless for this season. Though the increase has been rapid it has not been unexpected, and both Railways and Government should, the Committee think, have taken precautions in time. With the opening of the rivers some alleviation may be expected, as a portion of the produce waiting carriage at the stations will

be diverted to boats, but no real or appreciable mitigation can be looked for until the rolling stock of both the E. I. R. & G. I. P. Railways is put on a fair and proper basis. It is acknowledged that as at present constituted it is utterly inadequate for the work it is required to do. The addition of the 1,000 extra wagons, and commensurate engine power, indented for by the E. I. Railway will go far to, if it does not altogether, do away with any cause of complaint next year. For the present year there does not appear to be any remedy; the E. I. Railway by placing 6 engines at the disposal of the Bombay Railway, who are more deficient in hauling power, and supplementing their own wants by the loan of 300 wagons instead, have done the only thing possible for them to do in the emergency. The block still continues, and though the through daily traffic to Bombay has been reduced, the press of work tendered to the Railway is avowedly far beyond its present capacity to perform.

From Chamber of Commerce to E. I. Railway,

Calcutta, 18th January 1877.

The Committee of the Chamber of Commerce desire me to represent that very severe inconvenience and losses have been experienced by merchants in consequence of the check which railway traffic between Cal-

cutta and the Upper Provinces has received during the last 8 or 10 weeks, and which continues at the present moment to interfere with the prompt receipt and dispatch of merchandise at up-country stations and punctual delivery at its destination.

The Committee are aware that the block on the line has been caused by exceptional circumstances, arising partially from the Imperial Assemblage at Delhi, but principally from the transport of grain towards the famine districts of the Bombay and Madras Presidencies: but the former impediment has been removed and the latter has probably by this time been materially lessened.

The traffic, however, has not resumed its ordinary regularity, and the Committee are informed that the carrying power of the railway is unequal to the heavy service it has to perform; that the stock of wagons and trucks is insufficient to meet any suddenly increased requirements of trade, and that the locomotive department is unequal to the pressure of work thereby occasioned.

To the delays and irregularities thus created and which are of very serious moment to the commercial public, there have been added considerable losses by damage of perishable merchandise carried in uncovered wagons and unprotected from the rain which has fallen heavily all along the line between this and the North-West during the last week.

All these circumstances are in the Committee's judgment sufficient to justify the reference they desire to

make with the view to be informed what measures are being taken to admit of uninterrupted traffic and the full and sufficient supply of rolling stock for its conveyance, as well as to make provision for any similar recurrence of exceptional demands upon the resources of the Railway Company.

From E. I. Railway to Chamber of Commerce.

Calcutta, 23rd January 1877.

I am instructed to acknowledge the receipt of your letter of the 18th instant, commenting on the inconvenience to merchants caused by the existing pressure of traffic and consequent delay in transport and delivery of produce and on the causes which are presumed to have conduced thereto.

The Agent very much regrets such of the present conditions as have led to your representation. The accession to the Company's traffic has been exceedingly heavy and sudden, but would not probably have been beyond the powers of the Company's present stock of wagons, if it had not been for the long lead of the grain traffic over the lines in Western India and the Madras Presidency, the terms of the working agreements between the Companies obliging each to allow loaded wagons to run through to destination.

At the same time the quantity of grain brought down to Howrah has been so unprecedently great that the resources of the labor contractors have been taxed to the very uttermost to provide coolies to unload and deliver

consignments, and there is no doubt there has been great delay in this respect.

The Agent is prepared to admit that the carrying power of the railway has not proved equal to the exceptional demands which have been and are still being made upon it, and an indent is now before the Government of India for sanction to the construction of a thousand new covered wagons of an improved type, to provide against future emergencies of the kind and for the increasing requirements of trade.

An indent for a proportionate number of additional engines is also in course of preparation.

The complaint that the Company has used uncovered wagons for conveyance of perishable merchandize is hardly consistent with the general object of your letter. These wagons have been used almost wholly for grain, and the Company was glad to utilize any vehicles which were available,—even the Engineer's ballast trains, horse boxes and carriage trucks having been pressed in to the service. There would probably have been no complaints on this score but for the unfortunate fall of rain a few days ago.

With regard to the protection of goods at Howrah, a proposition is also under consideration to more than double the present shed accommodation for goods brought down by rail, but this has not yet received the sanction of the Board of Directors, and it is difficult to form an opinion whether, at the present stage of the Company's

contract with the Government of India, the Board will be prepared to allow the necessary expenditure.

With regard to the prospects of reducing the traffic to its normal regularity, I am to remark that the famine traffic appears to have somewhat abated, but from intelligence just to hand there is a block of grain at Jubbulpore, and it has been found necessary to suspend temporarily the through booking of grain to Western India.

This will set free more wagons for despatches to Howrah, and a considerable increase in these may therefore be shortly expected; and the Agent will be glad if the Chamber of Commerce will call upon the merchants of Calcutta to assist the Company by being prepared to remove their consignments as quickly as delivery can be granted to them.

From Chamber of Commerce to E. I. Railway.

Calcutta, 5th March 1877.

At the General Meeting of the Chamber of Commerce held on 24th January the Chairman read your reply to the Committee's representation regarding the block on the East Indian Railway, and the publicity thus given to it was useful in bringing to the notice of consignees of merchandise your suggestion that they should be prepared to remove their goods as quickly as delivery could be granted.

It was satisfactory to the Meeting to learn that efforts were being made to increase the rolling and engine stock so as to provide against future emergencies and increasing requirements of trade: and the Committee of the Chamber desire me to say that they will be further obliged by your stating when the additional accommodation for which the sanction of Government had been asked is likely to be available, and generally how far your endeavours to meet the demands of goods traffic and to ease the pressure on your line have been successful.

The Committee are satisfied that it is your earnest desire to afford every facility to importers of produce from the Upper Provinces and to shippers thereof at this port; and they observe from the Notice published by you last week that the inconveniences still attending the heavy demands upon your resources have not been overlooked, and that with the view to lessen them or avoid them altogether if possible you have proposed a plan by which you believe that object may be secured.

While the Committee entirely credit you with the declared intention to accomplish that purpose, they desire me to say that in their judgment the Notice has been issued under a misapprehension of results that would follow its adoption, for the arrangement involves a deviation from the well recognised rule which entitles priority of tender to priority of acceptance, and a departure from the practice of satisfying the requirements of earliest applicants for traffic accommodation before later ones are dealt with: for if your notice is acted upon a preference would be given to merchants who could produce evidence of their ability to ship off their con-

signments immediately on delivery by pre-engagement of freight, to the manifest prejudice of others whose goods are first tendered for transmission, but who are not prepared to declare their future disposal of them, or may not be in a position to deal with them until after their receipt, either by sale on the spot to other purchasers, or by holding them for a more favorable freight market. A variety of circumstances may influence the consignees of produce not intended for immediate shipment, and it would be placing them in a most disadvantageous position to shut out their goods in order to make room for other merchandise previously arranged to be at once transferred from the railway terminus to ship board.

As a rule goods brought down to Calcutta by rail are not ready for immediate shipment, and it would be only in limited and exceptional instances where your Notice could operate: but its preferential provision would be a most improper contravention of the ordinary railway rule which applies alike to all cases irrespective of subsequent destination of the produce conveyed.

Your notice would create a monopoly of railway accommodation in favor of merchants whose goods may be prepared up-country ready for shipment; it would lead to speculative engagement of tonnage available only on the contingent receipt of produce which might not arrive in time to admit of the contract being observed; and would most probably involve the very objects which you desire to see prevented.

The Committee are of opinion that your proposal would operate partially and prejudicially; that it goes be-

yond the recognised authority of the Railway Company, inasmuch as it ignores their obligation to deal uniformly with all the interests they may be required to serve: and that the Notice should on these grounds be at once withdrawn.

From E. I. Railway to Chamber of Commerce.

Calcutta, 20th March 1877.

I am desired by the Agent to acknowledge receipt of your letter of the 5th instant on the subject of the present pressure on the Company's resources for conveyance of traffic.

With regard to your enquiry I have to state that the increased requirements of the Company in respect of wagon stock were represented to the Government of India about three months ago, and a request for sanction to the construction of 1,000 new wagons was submitted to them about two months ago. Attention has been drawn to this request on more than one occasion, but up to the present no definite intimation of sanction or other action has been received.

In the absence of any information as to the intention of the Government in respect of the application it is impossible to say when any additional transport accommodation is likely to be available. The Agent much regrets this as he has reason to believe the present busy traffic will not soon subside and the absence of the required facilities involves a restriction in the development of trade and a loss of valuable traffic to the Company.

With regard to the notice of the 23rd ultimo, referred to, I have to remark that the Chamber appear to have supposed a wider scope to its operation than its actual wording would warrant. While doing so they at the same time observe that it would be only in limited and exceptional instances that it could operate and this view will coincide with the intention with which it was issued. It was only intended to apply to cases where particular consignments detained up-country for want of wagons were engaged for shipment in a particular vessel loading for despatch.

As, however, the principle involved is considered to be so open to objection, the Agent has issued a second advertisement notifying that the arrangement is cancelled.

From Chamber of Commerce to E. I. Railway.

Calcutta, 4th April 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter of the 20th ultimo in reply to their reference regarding the preferential conveyance of goods traffic as announced in your notice of 23rd February, and to cordially recognise the prompt cancellation of that notice in deference to the views submitted on behalf of the mercantile community.

But it is a matter of grave regret to the Committee to learn that the Agent is not in a position to inform them when his repeated application for the additional rolling stock so much needed by the requirements of commercial traffic is likely to be sanctioned by the Government of India.

The want of such accommodation unquestionably is already, and will continue to be, a material obstacle to the development of that traffic; and the expansion of the wheat trade—which has assumed very considerable dimensions—would appear to be limited only by the ready means of transport to enable it to complete in satisfying the demands of distant markets of consumption, and it would be most injurious to the growth of that trade (and obviously to the interests of the Railway Company) if it were restricted by insufficiency of accommodation for its conveyance.

The Committee will themselves therefore address the Government of India, urging on them the necessity of early sanction to your indent.

From E. I. Railway to Chamber of Commerce.

Calcutta, 6th April 1877.

I am desired by Mr. Leslie, with reference to your letter of the 4th instant, to inform you that the Government of India have now sanctioned the Company's indent for 1,000 additional wagons for conveyance of goods, and it will be forwarded to London by this day's mail for compliance.

The Board of Directors have already been advised by telegram of the sanction, and as they are in possession of the necessary particulars, it is probable that early action will be taken to have them constructed.

As the vehicles are to be entirely of iron to a new

design their construction will be carried out entirely in England, but the work must necessarily take some time, and the Agent cannot expect them to begin to arrive much before the end of the present year.

The indent for additional engines has not yet been sanctioned, but it is believed it will not be much longer delayed.

From Chamber of Commerce to E. I. Railway.

Calcutta, 12th April 1877.

The Committee of the Chamber of Commerce are very glad to learn from your letter of the 6th instant that the Government of India have at length sanctioned your indent for 1,000 additional wagons, and they trust that the Railway Company will, with this increase to their rolling stock, be amply able to provide for the growing traffic on their line.

The necessary orders for a proportionate addition of engines will no doubt follow, but the loss of time occasioned by negotiating these accessions to the carrying power of the Railway Company is greatly to be regretted.

From Chamber of Commerce to Govt. of India.

Calcutta, 4th April 1877.

On the 19th of January last the Committee of the Chamber of Commerce represented to the Agent for the

East Indian Railway Company that severe inconvenience and loss had been sustained by merchants, in consequence of the check which railway traffic between Calcutta and the Upper Provinces had received during the previous 8 or 10 weeks, and which at the time of the Committee's representation continued to interfere with the prompt receipt and despatch of merchandise at up-country stations and punctual delivery at its terminal destination: and they submitted that the carrying power of the railway was unequal to the heavy service it had to perform, that the rolling stock was not sufficient to meet the increased and extraordinary requirements of trade, and that the locomotive department was also unequal to the pressure of work to be done. The Agent's reply fully confirmed that opinion, it being admitted that the carrying power of the railway had not proved equal to the exceptional demands made upon it, and that in consequence indents had been submitted to the Government of India for 1,000 additional wagons and a proportionate number of additional engines.

While the Committee could not receive without the gravest concern the confessed inability of the Railway Company to meet the demands on their resources, they were satisfied to learn that the absolute necessity of making efforts to place the railway in a more efficient condition had been anticipated by the Agent; and they were consequently encouraged to hope that the earliest sanction would be promptly given by Government for the construction of the additional rolling stock and locomotive so urgently needed.

In the belief that this most important matter was

making desired progress the Committee refrained from introducing the subject to the attention of Government; but as they are informed on reply to a reference to the Railway Company, that it was impossible for them to say when any additional transport accommodation was likely to be available, as the intention of Government had not been intimated nor any definite action taken, the Committee venture to submit for the very earnest consideration of His Excellency the Governor General in Council that all the interests involved in the immediate compliance with the declared necessities of the Railway Company demand the earliest attention of the Government.

From Chamber of Commerce to Govt. of India,

Calcutta, 12th April 1877.

Since addressing you on the 4th instant the Committee of the Chamber of Commerce have been informed by the East Indian Railway Company that their indent for 1,000 additional wagons for good traffic has been sanctioned by the Government of India.

The Committee have received this information with much satisfaction, and they trust that the construction of this increase to the rolling stock, as well as of a proportionate number of locomotives which they presume will also be ordered, will be rapidly proceeded with.

From Chamber of Commerce to E. I. Railway.

Calcutta, 26th April 1877.

The Committee have refrained from addressing you

again on the subject of the block on the line, in the hope that with the cessation of the famine demand for wagons, the stream of traffic downwards would have again resumed its wonted regularity; but they regret that no diminution of the inconvenience and delay has been yet experienced. It is therefore clear that the rolling stock of the Company is unable to cope even with the ordinary traffic along the line, and to so great an extent is this the case that the Committee learn telegrams have been to-day received from Cawnpore announcing the complete stoppage of all traffic from the most important mart for grain and oil seeds. There have been large sales of wheat, grain and seeds made, and freight secured for them, in dependence on their due and punctual receipt. Many of these contracts will drop through owing to the non-receipt of the goods, and the Committee need scarcely point out to you the very serious loss to individual merchants, as well as the disorganization of the whole trade of this port for months. The extra wagons ordered by you will do somewhat to prevent a recurrence of the block in future, but the Committee believe the greater portion of the inconvenience and trouble has been caused by the diversion of a large number of your wagons towards Bombay.

The Committee would submit that as the E. I. Railway was constructed for the carrying to Calcutta of the produce of the valley of the Ganges, and its rolling stock placed on a scale calculated for such produce, it is a departure from the original intention and plan that wagons and engines imperatively demanded for

the conveyance of our own traffic should be used to supplement the deficiencies of the G. I. P. railway.

If there were an excess of the rolling stock the Committee would cheerfully view the profitable employment of such surplus in the service of the other railway, but as long as our own trade suffers so severely from an insufficiency of carrying power they deprecate the alienation of any portion of your already too small means for another port.

The trade of Calcutta should not be stopped in order to place Bombay in a more favorable position. The G. I. P. Railway should follow the example of the East Indian, and at once take measures to place their own rolling stock in a position to cope more effectually with the requirements of its own trade, and not expect us to starve ourselves for their benefit.

Holding these opinions the Committee have learnt with surprise that a proposition is now under consideration to work the two Railways as if they were but one concern. Had the two Companies sufficient carrying power to admit of an equitable interchange between them, there might be little to object to in the proposed arrangement. At present, however, it seems to the Committee an arrangement entirely for the benefit of the Western railway and against the interests of the shareholders of the railway on this side of India.

While writing on the subject of this block of traffic the Committee desire me to point out to you, to be

placed before the Government for their consideration, the short-sighted policy in the construction of the Rajpootana State Railway on the *metre gauge*. If the Committee are rightly informed this railway has enough wagons lying idle which could have been utilized in the present emergency, but for the difference of the gauge on which they are built. We have therefore the anomaly of one railway with a superabundance of rolling stock, lying comparatively useless, while another railway, to which it is a feeder, is crippled for want of this very stock. Had the two lines been constructed, as the Chamber have constantly contended for, on the same guage, not only would the E. I. railway have been relieved from a large share of the odium they have lately incurred, but the Government would have been no losers, for the hire of the wagons belonging to their railway, would, the Committee are informed, been more than sufficient to have paid for the extra cost of the line on the uniform gauge. The economy, looked at even in the light of present circumstances, appears to the Committee the most expensive course that could have been adopted, and they are confident that each year's experience will show this to be more and more the case.

From E. I. Railway to Chamber of Commerce.

Calcutta, 30th April 1877.

I am directed to acknowledge your letter of 26th instant.

A proposal was made by the G. I. P. Railway Company that this Company's engines and men should work

some goods trains daily between Jubbulpore and Sohagpore, distance 122 miles, and the Agent replied to the effect that this Company had more traffic than it could deal with, and that engines and men were fully employed.

Captain Sargeaunt, R. E., Officiating Government Examiner of Railway Accounts, has recently visited Bombay, at the instance of the Consulting Engineer, and has written a memorandum on the present state of the goods traffic on the E. I. Railway and G. I. P. Railway with special reference to the conveyance of grain from the interior to the Coast and famine districts. This memo. was read and discussed at a special meeting held at this office on 27th April. Your letter was also brought forward, as well as one from Messrs. Anderson, Wright and Co. and both are recorded on the minutes. I attach for the information of the Chamber a copy of the minutes of the proceeding, and would invite your attention to the particulars of the actual state of affairs as given in the Consulting Engineer's letter No. 977C of 26th April 1877, to the Government of India printed in the minutes.

The conclusions arrived at were that this Company should lend 6 goods engines to the G. I. P. Railway to be returned at a week's notice if required, and on the understanding that the G. I. P. Railway should lend this Company 300 wagons.

A modification of the working agreement between the two Companies was also proposed, under which only about 100 loaded wagons are to be passed through daily from the E. I. Railway to the G. I. P. Railway at Jub-

bulpore, during the present pressure of traffic. This has been increased to 110, and it is thought that these proposals, if accepted by the G. I. P. Railway Company, will tend to alleviate the present pressure and set free more wagons for the traffic to Howrah.

The Agent regrets that it is out of his province to enter into a discussion on the merits of the question of the Gauge of the Rajputana (State) Railway.

He would however suggest that it might be satisfactory to the Chamber if you could arrange to call and see Col. Taylor, the Consulting Engineer to Government for Guaranteed railways, at his office at 21, Dalhousie Square, who might be able to give you information with respect to the rolling stock of that railway.

No. 26 OF 1877.

EAST INDIAN RAILWAY COMPANY.

Minutes of a Special Meeting,

Held at Calcutta

ON

FRIDAY, 27th APRIL, 1877.

TO

Consider a proposition for the Great Indian Peninsula Railway to borrow engine power from this Company to facilitate through traffic viâ Jubbulpore, and a recommendation from the Government Consulting Engineer's Department that the G. I. P. Railway should lend an equivalent in wagon stock to this Company.

Present:

MR. BRADFORD LESLIE, C.E., *Agent.*

LIEUT.-COL. F. SHERWOOD TAYLOR, R. E., *Consg. Engr. to the Govt. of India, for Guaranteed Railways, Calcutta.*

CAPTAIN W. A. J. WALLACE, R. E., *Dy. Consg. Engr. to the Govt. of India, for Guaranteed Railways, Calcutta.*

CAPTAIN R. A. SARGEAUNT, R. E., *Offg., Govt. Exmr. of Ry. Accounts, Calcutta.*

MR. ROBERT ROBERTS, *Chief Auditor.*
„ J. C. BATCHELOR, *Traffic Manager.*
„ D. W. CAMPBELL, *Loco. Supdt.*
„ R. W. PEARCE, *Carriage and Wagon Supdt.*
„ W. H. RUSSELL, *Secretary.*

READ the following :—

Memorandum by Captain R. A. Sargeaunt, R. E., Offg. Govt. Exmr. of Ry. Accounts, dated Calcutta, 21st April, 1877, on the present state of goods traffic on the East India Railway, and Great Indian Peninsula Railway, with special reference to the conveyance of grain from the interior to the Coast and Famine Districts.

"1. The negotiations beeween the G. I. P. and E. I. R., which were opened with a view to obtain some assistance from the latter in working the traffic of the former have fallen through, as the Agent of the East Indian Railway states that he has as much work on his own line as he can at present attend to, *i. e.*, that the resources of the line are fully employed.

"2. Thinking, however, that the matter should not be allowed to drop in this way without some further en-

quiry, I have collected certain information on the present state of the traffic on both lines.

"3. At the present time there is a large quantity of grain at the country stations of both lines, a portion of which is awaiting conveyance to the famine districts, and a portion has been purchased for export from Calcutta and Bombay. But the capacity of the Railways is not equal to the demand, and at both ports many merchants bitterly complain that they are unable to get their grain down for shipment, in many cases tonnage having been secured which they are obliged to undersell at great loss, in some cases obtaining merely nominal rates. But beyond this personal inconvenience the general welfare of the country has to be considered, and it must be borne in mind that this will suffer in proportion to the amount of grain intended for export which still remains in the mofussil at the commencement of the rains, when doubtless much will be damaged if not destroyed.

"4. The question then is, are both these lines doing as much work as possible, or could they not by some mutual arrangement do more?

"5. On account of the famine in Madras and the south of the Bombay Presidency the G. I. P. has a double task to perform; were it not for this famine the difficulty would be considerably diminished, if not entirely disappear; both lines would be heavily worked, in fact their stock and power would be overworked for a short period, but they would probably be equal to the occasion. No through grain from the East Indian would go beyond

Bombay, and from there the stock could be rapidly returned, and the large quantity of foreign wagons running on the G. I. P. would be reduced and a greater number available for work on the parent line.

"6. Speaking roughly, about ⅓rd through grain from the East Indian Railway goes to Bombay, of which a large portion is for export to Europe. A considerable quantity, however, is there shipped down the Coast, and finds its way to the famine districts; a small quantity too is, as it suits the convenience of the merchants, sent by rail to Sholapore, Adoni, Bellary or other famine depôts. At this time about 100 wagons with famine grain are passed over the Bhore Ghaut daily. I estimate that ⅓rd of the grain and ⅛th of the total goods traffic of the G. I. P. Railway is due to the famine.

"7. The number of wagons passing on to the G. I. P. at Jubbulpore during March averaged 107 per diem, of which average 13 were O. & R. and S. P. & D. stock, and these ran chiefly to Bombay, Poona, Sholapore and Bellary:—details are appended. The greatest number passed in one day was 190; and during the present month I am informed that the average has been upwards of 120. No assistance in the way of empties is received from the Madras Line, and there is now no transshipment of grain.

"8. The traffic over the Thull Ghaut has not reached its maximum as regards the number of trains that can be worked. Some difficulty was experienced on the line north of Bhosawal, but new crossing sidings have been

put in, and a greater number of trains could be worked than those now running, if sufficient power were available. The supplies of coal and water are ample.

"9. As regards the through traffic from the East Indian Railway, the Traffic Manager, Mr. Conder, states that all wagons, with few exceptions such as must always occur, are returned within the contract time, and it is asserted that in no way have the terms of the through booking agreement been infringed on the part of the G. I. P. The number of wagons sent through would, in the natural course, be regulated by the flow of traffic, and if all the foreign stock is quickly returned well within the contract time as asserted, there does not appear to be any grounds for complaint against the G. I. P: not that I am aware of any such complaints having been seriously made. There is no doubt however, that if the G. I. P. had more engine power, the foreign stock could be returned more quickly than at present.

"10. Looking at the whole question from a disinterested point of view, we come back to the original point, *viz.*, are these two trunk lines combining their powers to the greatest advantage of themselves and the community at large? The export trade of grain which is now going on is in a great measure new, and only a few months ago was quite unanticipated, and it is to the interests of the Railway Companies that this should be in every way encouraged, and not meet with unnecessary difficulties at its outset. In fact all party spirit, if such exists, should be set aside, and the two Companies should work harmoniously together to do the

best in their power to bring from the interior to the Coast the greatest possible amount of produce before the rains set in.

"11. Looking at the portion of wagon stock to engine power, I find that under the present circumstances, which must be accepted and cannot be immediately altered, the ratio is very different on the two lines; in fact on similar data for both, the daily train mileage, including empty running, worked by each engine in running order works out as follows :—

Passenger and Goods Engines.		*Goods Engines only.*
68·2*	E. I. R.	53 miles.
94·7	G. I. P.	Information not to hand.

"12. From this it may be reasonably inferred that some redistribution is necessary, and I am convinced, from what I have seen on the two lines, that it would be to the advantage of both, and of all concerned, if some equitable arrangement were made, by which the G. I. P. should hand over to the E. I. R. a certain number of wagons for its own use, and receive a proportionate number of engines in return, proper charges of course being made on each side. It has been said that if the E. I. R. does not get more wagons, they will only run on to the G. I. P. with through traffic, but it is not so. I am assured by the G. I. P. mangement, that it would inconvenience them to have the through traffic increased, and there will be therefore no occasion for the Traffic Manager to send one more wagon on to the G. I. P. than at

* Allowing for 6 engines hired to Government. These figures relate to quarter ending 31st March 1877.

present, and, if he chooses, he can employ any additional stock that he may get entirely on the traffic to Calcutta.

"13. I am aware that the G. I. P. authorities say that they cannot spare wagons, just as the E. I. R. authorities say that they cannot spare engines. In fact, to speak plainly, one will not help the other without getting something in return, and each is unwilling to move in the matter, even if the opportunity has become apparent. But this I maintain is not the state of affairs which should be allowed to exist. It appears that some action is required, seeing that these two Companies are hampered, as at present, (one from the want of stock, and the other from the want of engine power), when the proportion of work per engine in running order is as above shewn.

"14. I do not think that any very great improvement can now be made, but something can be done: we may expect six weeks of open weather before the monsoon, and every extra train load that can be worked daily during that period is so much to the good.

"15. Having discussed the question with the Consulting Engineer and the Agent in Bombay, I am aware to what extent the management of the G. I. P. Railway is prepared to go, and if the Agent of the E. I. Railway will consider how far he can increase the mileage of his engines, I think some small advantage may be gained, by an exchange of stock for power, and a limit to the through booking as above suggested.

Statement giving number of wagons running through Jubbulpore during March, to the undermentioned Stations on the G. I. P. and Madras Railways.

Names of Stations.	Grain.	Miscellaneous.
Bombay	1,700	81
Poona	505	9
Bellary	223	.....
Sholapur	97	.....
Khandwa	26	29
Byculla	1	62
Choral	35	34
Hyderabad	30	2
Seonee	1	7
Kareli	.....	3
Oomrawuttee	.....	5
Vaniembady	1	1
Nassick	14	20
Niphar	11	.....
Challisgaon	4	3
Unchisur	.....	2
Nursingpore	.....	1
Sanwad	1	.....
Babhai	.....	1
Akola	24	2
Moortizapore	5	.....
Munmar	27	14
Madras	6	12
Hurdur	9	7
Egutpoorah	4	.....
Lussulgoan	18	1
Myhijee	11	1
Deolale	7	.....
Sowdah	10	12
Burhanpore	12	7
Rawer	9	.....
Nagpur	1	4

Names of Stations.	Grain.	Miscellaneous.
Julgoan	8	1
Tallegoan	3	.....
Etarsie	.....	5
Bhosawul	.....	1
Bangalore	2	1
Tana	2	.....
Khirwari	7	.....
Karili	.....	1
Dadur	1	1
Bulsar	.....	1
Karki	.....	1
Baroda	.....	1
Ahmedabad	2	2
Kalian	9	.....
Raichore	11	.....
Mulkapore	9	.....
Sooptara	1	.....
Gooty	10	.....
Bunkeri	.....	1
Chandwara	1	5
Sheagoan	35	8
Nandgoan	11	.....
Adoni	8	.... .
Cudapah	2	.....
Boali	.....	1
Bograh	.....	1
Yerragoontla	2	.....
Goondacool	7	.....
Karwan	1	.....
Mundara	2	.....
Karodi	2	.....
Ghungoan	3	3
Kusgoan	6	.....
Royalcharoo	1	.....
Gondwarah	.....	12
Total	2,928	366

No. 961.

"Copy of the above memo. forwarded to Agent, E. I. R., for early consideration The undersigned is of opinion that the number of loaded E. I. R. wagons to be transferred daily at Jubbulpore might with advantage to both Companies be limited in future to 100, and 6 goods Engines, with drivers, might then be lent to the G. I. P. for working the length between Jubbulpore and Garawara.

"If the G. I. P. afterwards find that they have a surplus of engine power, the E. I. R. might undertake to receive say 25 G. I. P. empties daily at Jubbulpore, and work them to and from Cawnpore. If open wagons are sent the risk should be taken by G. I. P."

Note by Mr. B. Leslie, dated Calcutta, 26th April, 1877, on Captain Sargeaunt's memorandum.

"PARA. 3. In 1876, the grain exported included much that had been stored from the crops of former seasons, and in the spring of 1877, all the godowns were emptied, as the trade in both wheat and seeds almost ceased for a time.

"This being the case, there need be no apprehension of difficulty in storing the balance of this season's crops, which cannot be brought down before the rainy season.

PARA. 10. Export trade was anticipated, designs were prepared and indents for increased rolling stock submitted in January 1877.

PARA. 11. The comparative weight of E. I. R. and

G. I. P. trains must be taken into account, also the speed at which they are hauled. A train of 450 tons at 20 miles an hour equals 9,000 *ton-miles* per hour. A train of 350 tons at 13 miles equals 4,550 *ton-miles* per hour. The engine hauling the first train does double the work of the engine hauling the latter.

"How many G. I. P. engines are in hospital through over work? If the G. I. P. Railway has overtaxed the power of endurance of its engines and consequently disabled a large proportion, it would account for the excessive mileage exacted from those which are still in working order, but would not justify the E. I. Railway in doing likewise."

Letter No. 977C., dated Calcutta, 26th April, 1877, from the Consg. Engr. to the Govt. of India for Guaranteed Rys., to the Secy. to the Govt. of India, P. W. D.

"In continuation of my telegram of the 23rd inst., I have the honor to forward for the information of the Government of India a copy of Captain Sargeaunt's memo. of the 21st inst., on the present state of the goods traffic on the East Indian and G. I. P. Railways, which has been sent to the Agent, East Indian Railway, under cover of my docket No. 961.

"2. You will observe that Captain Sargeaunt estimates that about $\frac{1}{5}$th of the entire traffic of the G. I. P. is famine traffic, and, as far as I can ascertain, the proportion on the E. I. R. is about $\frac{1}{8}$th.

"3. The gross earnings of the G. I. P. from goods traffic are considerably larger than those of the E. I. R.

but the tonnage carried by the E. I. R. is more than double that of the G. I. P. R.

"4. The Traffic Manager of the East Indian Railway estimated, at the beginning of this month, that about 2,500 of his covered goods wagons were working traffic consigned to Bombay. This is about $\frac{2}{3}$rds of the entire carrying power of the line available for the grain traffic, but by limiting the number of E. I. R. wagons transferred daily at Jubbulpore to 100, as recommended by me, the carrying power of the line will, I think, be tolerably equally divided between Calcutta and Bombay, and if this balance can be maintained as long as the present pressure of traffic continues, the E. I. Railway Company will, I consider, be doing their best to treat the public of Calcutta and Bombay with fairness.

"5. The East Indian Railway has hitherto endeavoured to furnish as many wagons as were needed for the through traffic to Bombay, notwithstanding the inequality of the vehicle mileage run by the stock of the two lines, but it is clearly necessary to draw the line somewhere, and I would suggest that the G. I. P. Railway be called on to arrange to contribute a fair share of stock for the joint traffic.

"6. The East India Railway are, as you are aware, building 1,000 new goods wagons, and I think the G. I. P. Railway should be prepared with a fresh reserve of not less than 500 covered wagons to meet the rapidly increasing traffic to Bombay.

"7. The G. I. P. Railway have, I hear, arranged to

improve the carrying capacity of their existing wagons, but they do not as yet contemplate making any addition to their goods stock."

Letter dated Calcutta, 26th April, 1877, from the Bengal Chamber of Commerce, to the Agent, East Indian Railway Company.

[See page 24.]

Letter dated Calcutta, 26th April, 1877, from Messrs. Anderson, Wright & Co., to the Agent, East Indian Railway.

"We learn by wire from Cawnpore that the traffic from there is again closed from to-day on account of want of rolling stock. We also hear that you have undertaken the working of 150 miles of G. I. P. Railway, thereby reducing the carrying power of your own line, when you are not able to cope with the traffic offered to you for it. We beg to give you notice that in case of any of our cargo being thrown late for shipment by this action of yours, we shall hold you liable for all damages which we may thus incur. We have over 2,000 tons of seeds, &c., coming from Cawnpore during the next three weeks, for which freight has been engaged, and we believe your liability is undoubted, if you cause us loss by diverting your rolling stock to channels with which you have no legitimate right."

In reference to para. 11 *of Capt. Sargeaunt's memo., Mr. Campbell produces the following statement shewing the average Train and Engine mileage run by each Engine per month and day over the Main and Jubbulpore Lines from January to March,* 1877 :—

Months.	Total Train mileage.	Total Engine mileage.	Total engine stock exclusive of those working for other Railways, &c.	Average of Train mileage per engine per month.	Average of Engine mileage per engine per month.	Average of Train mileage per engine per day.	Average of Engine mileage per engine per day.	REMARKS.
1877.								
January, ...	7,91,447	9,11,025¾	500	.....	.....	.....	.....	10 lent to Engineering Dept., and one Wardah Valley State Ry.
February, ...	6,61,870	7,50,825	494	.....	.....	.....	.....	10 ditto, 6 Madras Ry., and one Wardah Valley State Ry.
March, ...	7,50,419¾	8,56,971¾	494	.....	.....	.....	.....	10 ditto, 6 ditto, and 1 ditto.
Total,...	22,03,736¾	25,18,822½	1,488	.....	.....	.....	.....	
Average of 3 months,	7,34,579	8,39,607	496	1,481	1,692	49¼	56½	
Mileage per annum, ...			...	17,772	20,304			

JUMALPORE,
The 26th April, 1877.

THOMAS CURTIS,
Accountant.

D. W. CAMPBELL,
Locomotive Supdt.

He remarked that that was the true test of how the engine stock was employed, and that it shewed a result better than is attained on the London and North-Western Railway in England. Mr. Campbell further stated that he was not prepared to agree to Capt. Sargeaunt's figures, as they did not appear to him to afford a correct basis of calculation. The Agent and Chief Auditor concurred in Mr Campbell's remarks.

Mr. Campbell stated further that by working overtime in the shops the number of engines constantly under repair would be reduced; and by this arrangement he could place six engines at the disposal of the G. I. P. Railway Company if considered advisable, but he could not spare Drivers for working them—

617. RESOLVED that the East Indian Railway Company are prepared to offer to the G. I. P. Railway Company 6 goods engines without Drivers, and will undertake to deliver them at Jubbulpore in about 10 days from date of requisition, the rate of hire to be Rs. 50 per day for each engine. These engine are to be let on hire on the understanding that they are to be returned at one week's notice if required, and in the same good order in which they are received, the G. I. P. Railway Company to pay freight from Jumalpore to Jubbulpore and back, at 12 annas per mile each.

This offer is also conditional on the G. I. P. Railway Company being prepared to let on hire at once to the E. I. Railway Company 300 goods wagons in good working order, the rate of hire to be Rs. 2 per day for each

wagon, the E. I. Railway Company paying haulage to Jubbulpore for the wagons, if sent empty, at the rate of 2 annas per mile each.

It is also proposed that the Working Agreement between the two Companies be so far modified during the continuance of the present pressure of traffic, that only about 100 loaded wagons per diem shall be passed from the E. I. Railway to the G. I. P. Railway at Jubbulpore.

At the time of confirmation of this Meeting on 3rd May 1877, the following correspondence was read :—

Letter No. 6192, dated Calcutta, 30th April, 1877, from the Agent E. I. R. Co., to the Agent G. I., P. Ry. Co., Bombay.

FACILITIES FOR THROUGH TRAFFIC.

"In continuation of this office letter No. 6127 of the 28th instant, I am desired to acknowledge the receipt yesterday of your telegram as follows :—

"We consider 50 rupees a day far too high a rate for the engine. Can you not quote a lower freight. Other terms agreed to except number of wagon days *(wagons daily)* to be increased to 120 or 125. We propose to send you 300 open wagons—

And to advise you that the following telegram in reply has been sent to you this day :—

"We cannot reduce terms or conditions for engines or their freight over this line which is charged at usual rate, but will consent to an average of about one hundred and ten loaded wagons through Jubbulpore from this side daily. I you now agree on all points, advise me, and the

engines will be got ready and despatched as quickly as possible."

Telegram dated Bombay, 2nd May, 1877, from the Agent, G. I. P. Ry. Co., to the Agent, E. I. Ry., Calcutta.

"Conditions agreed to. Send Drivers with Engines if possible; Our wagons to be returned in same good order as delivered; When will Engines be at Jubbulpore?"

618. RESOLVED, that this agreement be recorded.

From Govt. of India to Chamber of Commerce.

Simla, 1st May 1877.

I am directed to acknowledge the receipt of your two letters dated the 4th and 12th April 1877, advocating the acquisition by the East Indian Railway Company of additional goods wagons and locomotive engines to meet the very heavy traffic on the line.

2. In reply I am to state for the information of the Chamber that at the very earliest moment consistent with a verification of the representation of the Railway Company called for by the magnitude of the indents submitted by the Agent, indicating as they did a marked expected development of traffic, the Government of India satisfied with the enquiries made, have sanctioned the acquisition of 1,000 goods wagons and 50 locomotive engines.

AMENDMENT OF THE RAILWAY LAW.

The Railway Conference which was to determine the points of amendment required has been postponed; and meanwhile the Committee will be glad of any suggestions Members may be desirous to make with the view of their being placed before the Conference whenever it meets.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 18*th October* 1876.

I am directed to forward, herewith, copy of a letter No. 612, dated 21st September 1876, from the Government of India, Legislative Department, regarding the amendment of the Railway law, and to request that the Chamber will favour the Lieutenant-Governor with any remarks they may have to offer on the proposed amendment of the law.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 30*th November* 1876.

In reply to your letter No. 2735 of the 18th ultimo the Committee of the Chamber of Commerce desire me to say that they believe a Conference on the bill to amend the Railway Act will be held in January next, and that the passing of the bill has therefore been postponed.

If the Government will oblige the Chamber with the result of that Conference the Committee will be glad to

take the matter into consideration, and any present expression of opinion would be premature and of no practical utility.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 6th December 1876.

With reference to your letter of the 30th November 1876, I am directed to inform you that a copy of the results of the Conference on the bill to amend the Railway Act will be forwarded to the Chamber as soon as they are received by this Government.

From Railway Conference to Chamber of Commerce.

Calcutta, 6th December 1876.

It may have been brought to the notice of the Chamber of Commerce that a General Railway Conference has been directed to meet in Calcutta in the beginning of February next for the discussion of matters connected with Railway business, including such general subjects as the simplification and reduction of fares and of the tariffs for goods.

2. I have the honor, by desire of the President, to enquire whether there are any Railway matters which the Chamber would wish to bring to the notice of the Conference, and of which the discussion would, in the opinion of the Chamber, be beneficial.

SIMPLIFICATION AND REDUCTION OF GOODS TARIFF.

When Indian Railways were first opened, the arrangements made for the carriage of goods were based on those in force in England, which were the outcome of many years' experience. The earliest Railway Act of Parliament was the one for a tramway between Wandsworth and Croydon. This was passed in 1801, and contained a rough division of goods—26 articles being enumerated—into four classes, for each of which a maximum charge per ton-mile was prescribed. When in after years railways began to multiply, a similar practice was followed, but each railway, in its special Act, obtained sanction to a classification of goods which differed more or less from those adopted on other lines.

The confusion that would have resulted from through traffic being carried under such conditions was obviated by the voluntary action of the Railway Companies in 1847, when a uniform classification of goods was adopted by all Companies which were members of the Clearing House. Under this system goods were divided into five ordinary classes, a mineral class, and a special class.

On the French Railways the English practice was adopted. In 1846 a law was passed under which goods were divided into three classes, 60 groups of commodities being specified, and a maximum rate laid down for each. In 1864 the number of classes was increased to four, and a general classification in which 1463 articles were named was adopted.

But this was not considered by the French Railway Companies to be sufficient, and goods were therefore re-arranged by each Company into five or six "series," with, in some cases, an additional special series, just as in England the Clearing House classification re-distributed the goods which had been already arranged in classes in the special Acts.

In Belgium there was originally three classes of goods. In 1864 the number was increased to four, but so arranged as to embrace a low class for special goods. There still remained, however, what may practically be considered as two additional classes to which special rates were applied, one for coal and coke, the other for various kinds of iron manufactures.

In all the foregoing instances classification of goods seems to have been adopted either to fix in a definite way the maximum rate allowed to be charged for any article, or else to facilitate the adjustment of accounts between different railways. No indication can be traced of an intention to fix any rates absolutely without possibility of reduction, and the English Royal Commission on Railways, when recommending in 1867 that the Clearing House classification should be formally applied to all railways by Act of Parliament, expressly guarded itself from any misconception on this point. It reported—

99. The carrying trade brings the Railway Companies into competition with carriers on roads, canals and rivers, as well as with the whole coasting trade. The Companies, therefore, without regard to the rates which they charged elsewhere, have found it necessary to reduce their rates

below those charged for the existing means of conveyance, whatever its cost might be, in order to draw traffic on to their own lines. However much the owners of the existing modes of conveyance may have been prejudiced, the general public have derived an unqualified advantage from the great increase of facilities for the conveyance of merchandise, which we have no doubt has largely contributed to the development of the industry and resources of the country.

Inequality of charge in respect of distance, besides being a necessary consequence of this competition, is an essential in the carrying trade, that is to say, the principle which governs a Railway Company in fixing the rate is that of creating a traffic by charging such a sum for conveyance as will induce the produce of one district to complete with that of another in a common market.

Hence, even if the Railway Company be assumed to have a complete monopoly of the railway communication of the district it occupies, it must, in its own interest, regulate its accommodation so as to produce as large an amount ef remunerative traffic as possible.

The power of granting special rates thus permits a development of trade which would not otherwise exist, and it is abundantly evident that a large portion of the trade of the country at the present time has been created by, and is continued on the faith of, special rates.

100. The conditions under which such rates are granted are so numerous that no special law could be framed to regulate them. It has indeed been suggested that it

should be left to a Government Board or other tribunal to arbitrate in cases where the traders asked for reduced rates, and the Railway Companies refused them; but it must be recollected that the Companies are entitled to derive a benefit from the rates assured to them by Parliament, and the course suggested would be tantamount to transferring this benefit from the Companies themselves to individual traders, in order to add to the profits of their business, established with a full knowledge of the system of railway rates.

101. There is no doubt that this system confers great powers on the Railway Managers and Directors in regard to the markets for those articles in whose cost the carriage forms an important element.

It is however the interest of every Railway Company to develop the trade of its district.

* * * * * * * *

103. It has further been alleged against the system which permits of unequal rates, that, in cases of traffic of the same nature carried on from two districts to a common market, the rates have been so favorable to one district as to shut out the other.

Without entering into the question whether a uniform rate over the whole country would not operate effectually to shut out all the traffic now carried to distant markets, it is evident that there can be no mean course between allowing the Railway Companies to charge what rates they think expedient within a maximum limit, and requiring that a rate proportioned to distance, or at least an equal rate for equal distances, shall be adopted.

Many important districts have access to each other by navigable rivers and by the sea as well as by railways, and hence if a uniform rate were made compulsory it would prevent those districts which possess a water route as well as a railway from getting the benefit of the low rate they now obtain from the competition between the railway and the sea or river, and thus raise the price of the article to the consumer; or else, it would act as a prohibition to the Railway Companies whose lines are in competition with the coasting trade from carrying certain classes of traffic, and in either case would check trade. Moreover, the competition which now exists between the produce of different places in a common market would be seriously prejudiced by uniformity of rate.

In India, the division of classes adopted in England has been followed until lately with little variation. Each railway divided general goods into five regular classes, with the addition of one or more classes for particular kinds of goods; special rates were quoted for the carriage of any articles when this seemed to the Company concerned to be required.

Under this system, however, there has not been complete uniformity of classification. The classified list of the East Indian Railway Company for September 1876 enumerated 836 articles, of which 207 were differently classified either on the Great Indian Peninsula, the Sindh, Punjab and Delhi, the Madras, or the Bombay Baroda and Central India Railway.

On the Oudh and Rohilkhund Railway all goods are divided into four classes—special, low, middle, and high—to each of which a fixed rate is applied.

On the State Railways all goods are divided into three classes, and charges are made by the unit of station-distance instead of a fixed measure of length, but a special rate may be quoted on each railway for any one of the articles so classified to which the ordinary rate seems inapplicable.

It may be found convenient first to consider the extent to which uniformity of classification is desirable and practicable, and then to discuss the character and number of classes which should be adopted if uniformity is advocated.

If the uniformity is to be real, and not merely nominal, it is evident that the classification must be wide enough to prevent a wholesale transfer of articles into a special class, for this on most lines is only a collection of the articles to which varying special rates are applied.

There appears to be a general feeling in favor of uniformity, and most Railway Officers naturally consider their own particular classification the best. But it is recognized that compromises must be made. For instance, Mr. Conder, the General Traffic Manager of the Great Indian Peninsula Railway, while advocating the retention of five classes, writes—

"We have gone as far as any of the Railways to bring that (uniformity) about. We have said that, with the exception of a few of the staple commodities of the country, such as cotton, salt, grain, piece-goods, &c., &c., which are carried at specially quoted rates by all Railways, we will put all other goods into the same classification as is

adopted by the other lines; and in carrying out that principle incases in which the majority of the through booking Companies quoted a given class for any particular article, we have followed that majority, even although it involved an alteration of what we had been previously charging; and further, whenever an even number of Railways adopted different classifications for any particular class of goods, we have followed the lowest, and so made the lowest class to be in the majority."

The Great Indian Peninsula Railway Company seem however to have in some cases retained in local traffic classifications which for the sake of uniformity they have abandoned in through traffic, and certain articles are thus rated in two classes according as they are booked locally or through.

The Agent and Traffic Manager of the East Indian Railway consider that the existing classification suits their large traffic better than any arrangement of goods into a smaller number of classes while the Agent of the Eastern Bengal Railway would be willing to abolish the two highest classes as including but few articles which contribute to the earnings of that line.

It will not however be forgotten that this question has another side. The charge for moving goods has to be calculated not only by the carrier, but by the owner. There seems to be a general opinion, either tacitly acknowledged or expressed in words, that consignors, as a rule, have no concern with the classification or the system on which charges are based, and look only to the result of all this calculation. The Conference will how-

ever doubtless be glad to hear whether this view is accepted by consignors, and the Chambers of Commerce will be consulted on the point. In any case, every step towards uniformity of classification will make goods tariffs more simple.

Next, accepting the fact that the cost of carriage on different railways varies, and is likely to continue variable, the opinions of the members of the Conference are invited as to the extent to which uniformity of rate can, or should, follow upon uniformity of classification. The more uniform that rates can be made, the more nearly will connected railways be worked as if they formed one joint concern; and from a public point of view, this is much to be desired. It is for consideration how far through rates for traffic passing over more than one railway can be quoted at one uniform standard. Also how far rates can be simplified by abolishing all extra charges for terminals, handling, &c., as has been done on some lines, and by waiving any claim for excess payment on consignments that have been undercharged at the booking station :—a point suggested by the Agent of the Oudh and Rohilkhund Railway, who urges that native traders look with suspicion on any alteration of this kind in freight charges.

The question of adopting one unit of weight for the promulgation of rates is also suggested for discussion. At present some rates are quoted by the maund, others by the 100 maunds, others by the ton.

And this is not all. On the Eastern Bengal Railway 80lbs. are reckoned as a maund. Some railways also in Southern India do not adopt the standard weights of the

country, but apply the term "maund" to a weight of 82lbs. One-fortieth of this is called a "seer," and 27 of these "maunds" are called one "ton." This evidently makes the approximate arithmetical conversion of "maunds" into "tons" simple, but uniformity of weights and measures is so important a matter that the attention of the Conference is invited to the subject.

In connection with the question of rate, the liability of railways for loss or damage to goods has to be considered. In the Railway Act certain articles are specified as entailing no liability on the carrying railways unless a special insurance is paid for them. These articles are practically identical with those scheduled in the English Carriers' Act for a similar purpose, regarding which the Royal Commission, before mentioned, reported that the list required revision, because it was unsuitable to the present condition of industry and trade. Evidence had been afforded to the Commission that the Carriers' Act had originally been passed in the days of stage coaches when losses in transit were not unfrequent, and that the exemption of railways from liability for the loss of such articles as silk and cheap lace bore hardly on trade, while, on the other hand, the Railway Companies had, in order to protect their interests, practically increased the list by refusing to carry certain fragile or damageable goods except at the owner's risk, and by quoting two rates for other articles according as the owner accepted the risk or not.

In India the section of the Railway Act regarding limitation of liability for other articles than those specially exempted runs thus—

"The liability of such Railway Company for loss or injury to any article or goods to be carried by them other than those specially provided for by this Act shall not be deemed or construed to be limited or in any wise affected by any public notice given or any private contract made by them; but such Railway Company shall be answerable for such loss or injury when it shall have been caused by gross negligence or misconduct on the part of their Agents or servants."

Some Railway Companies have not considered themselves debarred by this clause from quoting rates, at owner's risk, for other goods than those specially exempted.

In the published "Indian Railway Bill, 1876," the clause above quoted is retained with verbal alterations, but to the list of articles entailing no liability on the carrying railway are added—

Cloths and tissue, of which gold and silver forms part.
Telegraph stamps.
Lithographs.
Photographs.
Carving.
Sculpture.
Opium.
Ivory.
Ebony.
Sandalwood.
Musical instruments.

The question of carriage at owner's risk, affecting, as

it does, both traders and carriers, is suggested to the Conference for discussion as an important element in classification and assessment of rates.

Another matter which has to be considered is the system of charging for light and bulky goods at a minimum weight per wagon. This question presents special difficulties in the case of through goods, which are transferred from one wagon to another. On some lines a minimum of 3 tons per wagon is the basis of charge per wagon: on the metre gauge State lines 50 maunds has been taken as the minimum. Under the English Clearing House rules some very light or fragile articles, such as bandboxes and furniture, are charged on actual weight at 20 per cent. more than 5th class rates, and it has been suggested for discussion that a charge on actual weight at a high rate might be more convenient than a charge on a minimum weight per wagon at a lower rate, especially in the case of through goods booked over railways of different gauge.

And finally an expression of opinion is invited upon the desirability of reducing any particular rates now in force, which appear to bear hardly upon special trades or industries, or from the lowering of which material advantage may be expected.

Of late years great reductions in rates have been made on some lines, and have resulted in large benefit to the Railways as well as to the public. The recent expansion of the export trade on wheat for consumption in Europe could never have taken place had grain not been carried at exceedingly low rates. But members of the Conference

and the representatives of commercial interests may be able to suggest other reductions by which trade in produce or in manufactures may be increased. The following extracts from Mr. Juland Danvers' last report state the arguments in favor of a policy of low rates, which he found to be generally endorsed by the various Railway authorities in India.

30. Management.—I need hardly remark that the Railways command an enormous power over the interests of the districts through which they pass. It is a power which should be used in a very judicious, enlightened, and I would add enterprising, spirit, not calculating only on the existing condition of things, but taking into account the capabilities of the country, the prospects of future development, and the growing wants and improving habits of the people. To obtain the highest return from the transport of a limited amount of goods should not be so much the object of Railway Managers as the conveyance of a large quantity with a comparatively small profit upon each unit. In some of the fertile valleys through which we passed, the surface of the ground, unbroken by hedge, wall, or fence of any kind, presented as far as the eye could reach, from the Railway embankment, one large sea of rice or corn. In other parts the Railway traverses tracts of country where the cultivable area might be increased, and where an external trade might be established, if only a market were accessible for the produce of the land. Opportunities, therefore, in one shape or another, are not wanting of obtaining traffic; but to make Railways as serviceable and as profitable as they should be, they must be brought within reach of the people, who, though poor, tenacious, and prejudiced, soon become

alive to their value, and are quite ready to use them in every possible way, whether for carrying themselves or their goods. The passenger rates have, on some lines, been already reduced, for the lowest class, as far as can be expected. The charges are from a farthing to a third of a penny per mile. The value attached by natives to cheap travelling may be gathered from the fact that they prefer giving up their caste to parting with their pence. The high caste will travel with his lower caste brother rather than pay a higher fare. As regards goods, the natives who engage in trade are keen observers and accurate calculators in matters of business, and command, by some means or other, very accurate information as to prices which prevail in the various markets of the world. The trade up-country would seem at present to be in the hands of a few. One effect of administering the Railways in a broad and liberal spirit would probably be to introduce a wider competition, and to encourage a more general employment of capital. The policy, therefore, to be followed, both in the interests of Railway proprietors and of the public, is low rates and simplicity of management; avoiding as much as possible special charges and exceptional arrangements (which only confuse and discourage the uninitiated and the small dealer), and shewing a readiness to consider the means, the wants, and usages of the people. It is hardly necessary to add that economy is at the bottom of all reforms and improvements in the direction above indicated. For the rates paid by the customer must always in some degree correspond with the cost of transportation. The more saving there is in managing the traffic, the greater margin will there be for reduction of charges, and thus will a greater stimulus be given to business, and a greater chance of increased profits.

31. Rates and fares.—It may be said that high and low rates are simply comparative terms which convey no definite meaning. As applied to the circumstances of India, I would describe rates as "high" when they fail to secure the conveyance of the produce of the districts through which they pass or of the goods imported into those districts; when they prohibit or unduly check traffic, and thus restrict trade; when they discourage extended production; and when they raise the cost of conveyance by diminishing the use of the carrying stock. This has been too much the case hitherto; and therefore Railways have not yet conferred upon the country the full benefits, nor yielded the profits, which they might have done. The smallest addition to the cost of an article will very often turn the scale as to whether it shall find a favorable market or not. The expense of carriage has necessarily a very important influence on the price at which it can be delivered. The lower the cost of production, the greater is the effect of that influence. This applies especially to corn, and other grain, salt, coal, cotton, and almost all the staple commodities of the country. It is very desirable, therefore, to be able to charge such moderate rates as will conduce to the conveyance of large quantities with a small profit on each unit, and thus promote the movement of goods from one part of the country to the other as well as their exportation to foreign lands. As an illustration, I would mention that, at the present moment, in consequence of the low price of wheat in the Provinces of Oudh and Rohilkhund, and the facilities which the Railway gives for conveying it to the Port of Calcutta, a larger quantity is being sent to this country and other parts of Europe than has, I believe, ever before been known. In round numbers its cost, including ex-

penses of conveyance, both by land and sea, would on arrival in London be from 38 to 40 shillings per quarter. The price here is about 43 shillings or 44 shillings. Another advantage arising from low rates is worth adverting to at the present moment. By helping to increase the export of Indian products, they would proportionately promote the demand for silver in India, and assist to raise the rate of exchange.

Summing up the foregoing remarks, it is suggested that the branches of this important subject should be discussed in the following order :—

1.—Practicability and desirability of uniformity in classification.
2.—Number and character of classes to be adopted.
3.—Extent to which uniformity and simplification of rate is practicable and desirable.
4.—Unit of weight for quotation of rates.
5.—Limitation of liability of railways as carriers.
6.—System of charge for light and bulky goods.
7.—Reduction of rates.

HOOGHLY BRIDGE TOLL ON COAL.

THE Committee, as will be seen from the annexed correspondence, have continued to press on Government the total removal of this objectionable tax on one of the most important industries of the country. In previous correspondence they pointed out to Government that, independently of this terminal charge, the receipts from the traffic over the bridge were sufficient to meet all the charges of its maintenance, and its continuance was therefore not only against the spirit of Lord Northbrook's promise, but was also impolitic in itself. In the correspondence now presented to members the injurious effect, even on the proposed reduced scale, is more particularly dwelt on. The matter is still under consideration of the Government, whose reply is anxiously looked for. If the Committee's argument that the tax is both unnecessary and injurious be sound its continuance for a single day, even on a modified scale, is a grievous injustice.

From Chamber of Commerce to Govt. of Bengal, Public Works Department.

Calcutta, 6th March 1877.

THE Committee of the Chamber of Commerce desire me to renew the representation already submitted for the

consideration of Government regarding the Railway terminal charge on coal.

To the Committee's reference of 24th October last you were good enough to state in your letter No. 3153 of 2nd December that a report had been received from the Bridge Commissioners conveying an expression of their views on the question of exempting coal from the toll now levied, but that the Lieutenant-Governor had been obliged to call for a further expression of the Commissioners' opinion on certain matters relating thereto.

Three months have passed since your reply reached the Committee, and during that interval they have been patiently waiting for a decision on a point which they hoped would meet with early solution ; but as no further orders appear to have been passed on the subject, the Committee venture to place the matter once more before the Lieutenant-Governor.

The Committee have in previous letters entered so fully into the question that they refrain from recapitulating the arguments advanced against the injustice of a measure detrimental to the coal trade of Bengal, or repeating the facts and figures which have so clearly demonstrated the absolute absence of any ground whatever for maintaining the charge imposed by the Act. They are unchanged in the opinion already pronounced that the railway terminal fee on coal, arbitrarily levied to meet expenditure on account of a bridge which it does not use nor needs to use under any circumstances, should never have been authorised, and that it should be forthwith removed.

Entertaining these views, the Committee have heard with much concern that it is in contemplation to continue the tax on a reduced scale; and opposed to any half measures applicable to an article of local industry which demands special protection at the hands of Government, the Committee trust His Honor will in no wise countenance any partial reduction of the charge, but that he will, on the contrary, declare the coal trade to be justly entitled to exemption, and release it from a burden designedly thrown upon it, by an authority that could not be resisted though strongly protested against, in order to compass a financial expedient based on no principle of equity or right regard to private interests.

From Chamber of Commerce to Private Secretary, Lieutenant-Governor of Bengal.

Calcutta, 7th March 1877.

As the Committee of the Chamber of Commerce are anxious that the subject of a letter addressed this day to the Secretary to the Government of Bengal should be submitted to the Honorable the Lieutenant-Governor with all avoidable delay, they direct me to place in your hands a copy of that communication with the request that you will do them the favor of bringing it to His Honor's notice at the earliest and most convenient time.

And with the view to place the Lieutenant-Governor in possession of previous correspondence on the subject, the Committee desire me to attach to the present reference printed copy of a representation to the late Viceroy and of a subsequent appeal to the Hon'ble Sir Richard Temple.

I have personally explained to General Nicolls the reason why the Committee have adopted the unusual course of placing the matter before His Honor through his Private Secretary.

From the Private Secretary to the Lieut.-Governor to Chamber of Commerce.

Belvedere, Alipore, 9th March 1877.

In reply to your forwarding letter of the 7th March the Lieutenant-Governor desires me to say that the whole question of the maintenance of the bridge is now under his consideration.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 12th April 1877.

The Committee of the Chamber of Commerce desire me to submit the following remarks in continuation of their representation of the 6th ultimo, with the request that His Honor the Lieutenant-Governor may be in early possession of replies which have been recently communicated to them, illustrative of the effects of the Hooghly Bridge terminal charge on coal.

The Committee are of opinion that any further argument on their part is wholly unnecessary; and they content themselves by simply placing before the Lieutenant-Governor these pregnant instances of the disastrous results of the tax.

FROM THE BENGAL COAL COMPANY.

"I find that the average payments of this Company cannot be less than Rs. 15,000 *yearly, for a bridge which it never uses: this sum is equal to* ¾ *per cent per annum on the Company's capital of Rs.* 22,00,000 *while its shareholders get little or no dividends on their money.*

FROM THE RANEEGUNGE COAL ASSOCIATION.

"The tax is simply paralysing to the coal owners, and amounts to a penalty equivalent to confiscation, in the magnitude of the sums exacted without the remotest benefit in return.

During the last year the tax has absorbed most if not all the small earnings of some of the coal owners and has been a source of heavy loss to others.

Very little of the coal taxed (so far from using the bridge) is brought into Calcutta at all, but goes up the river again.

The bulk of the coal is only brought down to Howrah for want of accommodation at the river side stations between Bally and Chandernagore; what little coal is used in Calcutta is chiefly brought over by boats, and is TAXED AGAIN *by the Port Commissioners when landed at the ghâts, and by Government at the toll bars of the Canals.*

FROM THE EQUITABLE COAL COMPANY.

I now send you herewith a memo. shewing the amounts we have paid for Bridge Toll from January 1875 *to the present time. It just comes a little short of* 2 *per cent. per annum on the capital of the Coal Company.*

THE NEW BEERBHOOM COAL COMPANY *declare that the terminal charge varies from Rs.* 16,000 *to* 18,000 *annually, and their report for the half year from* 1*st May to* 31*st October* 1876 *states that the Profit and Loss Account shows a debit balance of nearly* 4,000 *Rs.*

In conclusion, the Committee desire me to state that already some companies own or occupy land for the special purpose of having sidings in connection with the railway, by which they are enabled to bring their coal to the river bank there instead of to Howrah, and avoid the bridge toll ; and others are only awaiting the decision of Government as to the continuance or removal of the terminal charge to incur the first cost of constructing similar means of transport to the river, and thus to exempt their traffic once for all from the heavy annual charge imposed by the Bridge Act.

No. 3153, C.

From Govt. of Bengal to Chamber of Commerce.

Dated Fort William, 2nd December 1876.

In acknowledging receipt of your letter dated the 24th ultimo, I am directed to state for the information of the Bengal Chamber of Commerce that a report has been received from the Bridge Commissioners conveying an expression of their views on the question of exempting coal from the terminal charge which the East Indian Railway Company levy under Section 4 of Act IX of 1871, but the Lieutenant-Governor has been obliged with much regret to ask for a further expression of the Commissioners' opinion on certain matters relating thereto.

No. 207 C.

From Govt. of Bengal to Chamber of Commerce.

Dated Fort William, 21st April 1877.

Public Works Department,
Communications.

In acknowledging receipt of your letter dated the 12th instant, submitting a further representation illustrative of the effects of the terminal charge on coal leviable under Section IV of the Hooghly Bridge Act IX of 1871, (B. L. C.) I am directed to state that the Lieutenant-Governor was obliged to make a reference to the Government of India regarding this question, and that a copy of your present letter has also been submitted to that Government.

JETTY CHARGES.

The reduction of these charges has been again pressed on the attention of the Port Commissioners during the past half year. From their reply it will be seen that they contemplate the expenditure of over Rs. 72,000 out of cash balances, *i. e.* out of surplus revenue, in enlarging and completing existing works, and that they are not able therefore to make any reduction. This diversion of revenue to capital is not only wrong in principle, but as it tends to postpone for an indefinite period the relief in the high rates charged, the Committee have protested strong-

ly against it. No reply to this communication has been yet received.

From Chamber of Commerce to Port Commrs.

Calcutta, 5th March 1877.

The Committee of the Chamber of Commerce desire me to request the favor of your informing them—with reference to your letter of 31st August last—if the Commissioners have arrived at any conclusion regarding the proposed reduction of charges for landing and shipping goods at their Jetties.

From Port Commrs. to Chamber of Commerce.

Calcutta, 6th March 1877.

With reference to your letter of the 16th August last proposing reduction of rates charged for landing and shipping goods at the Jetties, and in continuation of this office letter No. 1393 dated 31st August 1876, intimating that the question would be referred for consideration and report to the Budget Sub-Committee, I am directed to forward herewith, for the information of the Chamber, an extract from the report of the above Committee, which was submitted to, and adopted by, the Commissioners at their last meeting.

Extract from the report of the Sub-Committee appointed at the 209th meeting to consider the Budget estimates for the year 1877-78 and other matters referred to them for consideration and report.

* * * * *

With reference to the question of a revision of the

Schedule of Jetty rates, proposed by the Chamber of Commerce in their letter of 16th August 1876, which has been referred to the Sub-Committee for consideration in conjunction with the Budget Estimates of income and expenditure of 1877-78, we submit the following recommendations to the Commissioners.

It appears from the statement of Jetty receipts and charges that the receipts for the ensuing year 1877-78 have been estimated at Rs. 5,95,836, and the expenditure at Rs. 5,82,466, leaving with the balance, carried forward from the current year, an estimated working balance on the 31st March 1878, of Rs. 29,010.

This, in our opinion, is not more than a sufficiently safe balance to work to during the year; and if the items of expenditure provided for in the budget statement, above referred to, be retained, it is not advisable to make any reduction in the Jetty rates.

It will be observed that the expenditure includes, with one exception, nothing but charges which are properly due to the Jetties, *viz.*, proportion of salaries, working expenses, renewal of block, municipal taxes and reserve fund charge.

The exception, above mentioned, is a charge of Rs. 72,890 for the extension of the Jetty heads and increase of accommodation for export cargo. This work has been undertaken to facilitate the working of the Jetties; and as it will not give any direct and immediate return for the money expended thereon, the Commissioners decided at the 205th meeting that it is a work the cost of which is

justly chargeable to revenue. It will be noted that the expenditure proposed to be incurred for an additional Jetty (No. 8) is to be met out of capital, that is, by a loan from Government, only the interest and sinking fund on the loan being chargeable to revenue of the Jetties.

We have examined the schedules of rates in force in the Ports of London, Liverpool and Glasgow, and compared some of the items with the amount charged in the present Jetty Schedule of charges for similar advantages afforded by the Jetties in Calcutta. This examination shows that the charges generally at the Calcutta Jetties are lower than similar charges in London or Liverpool, and that this is the case is due to the fact that nothing has been paid for the land occupied by the Jetties and warehouses in Calcutta, while in London and Liverpool the cost of the sites has been a large item in the expenditure. If the value of the land made over by Government had been debited to the Trust, the charge for interest could not have been met by the rates now levied.

It is also to be borne in mind that although the rates now levied for the use of the Jetties and of the appliances connected therewith, are about the same as those made for the use of boats previous to the construction of the Jetties, vessels now get far greater despatch, and there is greater pretection from loss or damage to goods.

We are therefore of opinion that no change is at present expedient or rendered feasible in the rates paid for the landing or shipping of goods at the Jetties, and that any reduction therein should be deferred until such further Jetties as may be required shall have been constructed out of capital by loan obtained from Government, the

interest and sinking fund on which shall be chargeable to the receipts under the head of Jetties, and until the whole accounts of the Port and Port approaches show a balance of receipts over expenditure.

From the Chamber to the Port Commissioners.

Calcutta, 2nd April 1877.

Under instructions from the Committee of the Chamber of Commerce I have to acknowledge the receipt of your letter No. 3494 of the 6th ultimo giving cover to extract from the report of a Sub-Committee of the Port Commissioners appointed to consider the Budget Estimates for the year 1877-78 and other matters in connection therewith; and I am to express the Committee's disappointment at the result of their reference relative to the reduction of charges levied by the Commissioners on goods landed at and shipped from their Jetties.

Laboring under the disadvantage of not having before them the Commissioners' estimates upon which the Sub-Committee formed their calculations and conclusions, the Committee are unable to scrutinise the figures or compare the facts and circumstances which influenced the Sub-Committee's declaration that it is not advisable to make any reduction in the jetty rates: they must therefore perforce accept the results arrived at by the Sub-Committee and adopted by the Commissioners.

While the Committee concede that the sum of 29,000 rupees is not more than a sufficiently safe balance to work to during the year, they are of opinion that the Commissioners would have held a surplus greatly exceeding any

adequate margin if the estimated expenditure had not been enlarged by items which in the Committee's opinion can scarcely be held as legitimate charges to revenue; for they notice that in addition to a sum set aside as *reserve* provision is made for *renewal of block*, an item of expenditure which may at any time be of such extraordinary dimensions as to absorb all or a very large proportion of the Commissioners' income.

To that item—whether it be large or small—the Committee hold the same objection, on principle, as they do to the charge of upwards of 72,000 rupees appropriated to the extension of jetty heads and increase of accommodation for export cargo—works which strike the Committee as being of exactly the same character as the erection of an additional jetty, the cost of which is to be covered by an addition to capital account. The Committee fail to see the slightest distinction between these works, and if the additional jetty is to be so provided for so ought the extension of an existing jetty and extra accommodation for cargo to be provided for, and not debited to revenue account.

With reference to the Sub-Committee's remarks as to the rates in force in London and Liverpool being higher than those levied here, the Committee are not in a position to question the accuracy of the comparison, but it is quite clear that if the Government of India had originally purposed to burden the Port Trust of Calcutta with the value of the land to be occupied by its operations, the Chamber of Commerce would never have advocated so costly a means for promoting the conveniences of the shipping and trade of this port.

But the Sub-Committee's comparison does not apply, for the Committee submit that the rates levied elsewhere are no argument for or justification of a high scale of charges in Calcutta; nor do their remarks hold good as to the rates now levied being no higher than the charges incurred before the jetties were constructed, for the chief object which merchants anticipated from the establishment of the Port Commission was a material reduction in those charges, and that object has all the appearance of being indefinitely postponed if the revenue of the Commission is to be continuously debited with expenditure of the nature to which the Committee take exception.

HIRE OF CARGO BOATS.

This subject came before the Committee informally, and as it is one that seriously affects the export trade, they put themselves in communication with the Port Commissioners as the proper body to suggest and apply a remedy. From their answer it will be seen the Port Commissioners under the existing law have no power of interference. As the law at present stands the only control over cargo boat owners is the act of simple registration of boats by the Collector of Customs, but there is neither tariff of rates nor code of regulations prescribed in the Customs Act. The Port Commissioners are willing, the committee understand, to take up the question as soon as the law is altered, and in fact there

has been a lengthy correspondence for some time past between them and the Government on the subject; but the whole question must apparently wait for the passing of the new Customs Bill at some future and indefinite time: meanwhile the export trade of the port is left at the mercy of boat owners.

From Chamber to the Port Commissioners.

Calcutta, 28*th April* 1877.

I am directed by the Chamber of Commerce to hand you copies of two letters received by them on the subject of the extortion of boat proprietors.

During the pressure caused by the famine requirements these boat proprietors were justified in raising their rates of hire: but now that this demand is over, there has been an evident combination among them to continue these exceptionally high rates, preferring to let their boats remain idle to letting them out at a reduction on the former rates. The exporters are either forced to yield to this extortion or allow their goods to remain in the Railway station or their own godowns at ruinous loss to them in the shape of rent and interest.

This is a matter that seriously affects the shipping interests of the Port and one, the Committee think, quite within the province of the Port Commissioners to remedy if in their power.

I shall be glad if you will lay this matter before the Port Commissioners at their next meeting, and favor me with their decision for the information of the Committee and members of the Chamber.

From the Port Commissioners of Calcutta to Chamber of Commerce.

Calcutta, 11*th May* 1877.

I am directed to acknowledge receipt of your letter of the 28th April 1877, with enclosures, representing the exorbitant rates charged for the hire of cargo boats in the Port, and requesting that if in their power the Commissioners would interfere in the matter and take steps to check the practice.

2. In reply I beg to inform you that the letter was submitted for the consideration of the Commissioners at a meeting held on the 1st instant, and in terms of a resolution passed thereupon I beg to state that the Commissioners came to the conclusion that they have no power under the law to warrant their interference between the shippers and cargo boat owners, and that in order to meet the increased wants of the Port, the Commissioners are extending the Jetty accommodation south of No. 7 Jetty.

RIVER SURVEY.

This oft-mooted question has again engaged the attention of the Committee. The urgent need of steamers in the survey of the river has been again pressed on the attention of Government, but no action has been taken, though the matter, the Committee believe, has been strongly urged by the Port Commissioners as well as by the Chamber.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 23rd November 1876.

Referring to your letter dated the 11th August 1876, on the subject of the use of the telegraph for facilitating communications to officers of the Pilot Service of changes in the channels of the Hooghly, I am directed to state, for the information of the Chamber of Commerce, that the telegraph is in daily use for the purpose in question.

2. Telegraphic reports are daily received from Moyapore, Nynan, James and Mary's, and back of Hooghly. These reports show the depth of water in the navigable tracks, as well as the time of high and low water, with rise and fall of tide at these places.

3. When changes are occurring at Fultah and Royapore, daily reports are telegraphed of their progress; otherwise the depth of water at these places is reported by post.

4. Every change of importance is telegraphed by the River Surveyor to the Master Attendant's office; and, when the change has occurred above Diamond Harbour, information is telegraphed to that station for the information of pilots of inward-bound vessels. When changes occur below Diamond Harbour, means are taken by the River Surveyor to give intimation both to inward and outward-bound vessels by using the telegraph if practicable, and also by placing a vessel or boat near the danger to warn pilots of approaching vessels.

5. In the event of sudden changes at the James and Mary's, a board is placed on Fultah Point showing the depth of water in the tracks, for the information of pilots who may have left town before notice of such changes was issued.

6. Copies of the River Surveyor's reports are sent by the first outward vessel to the senior officer at the Sandheads for the information of the officers at the station.

7. The Lieutenant-Governor is aware that it is very difficult to secure accuracy in the delivery of messages when the telegraph is not practicable, and when these messages have to be transmitted by flag signals; but I am to point out that a scheme for the employment of a steam flotilla for the Hooghly river survey has been recommended to the Government of India for sanction, and is now under the consideration of that Government. This will in a great measure remove the difficulties which exist when telegraphic communication is impracticable.

From Chamber of Commerce to Govt. Bengal, General Department.

28*th December* 1876.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 3048 of 23rd of last month, and to thank you for the information it conveys regarding the use of the telegraph for communicating to officers of the Pilot Service any changes that may take place in the navigable channels of the river from Calcutta to the Sandheads.

The Committee are glad to accept your assurance that the telegraph has at length been put into daily use with the view to keep pilots well and promptly advised as to the state of the river, because they attach the greatest importance to the necessity of supplying those officers by the most rapid means of communication with the earliest and most trustworthy information for their guidance. When they addressed the Government in their letter of 11th August it appeared that the facilities afforded by telegraph had not been availed of, as they should have been, by the River Surveyor and the stranding of the ship "*Mohableshwar*" tended to confirm that impression: they are glad to learn this defect has been remedied.

You are probably aware that the tonnage of vessels visiting this port has largely increased of late years, and it needs all the skill and ability of the most experienced pilots to take heavily draughted vessels safely and up down the river: but sudden and unexpected changes

in the channels, unless warned against in due time, may render that skill and ability helpless and of no avail; in this dangerous river a stranded vessel may almost be regarded as a wreck: and at the best if she escapes destruction very heavy expenses may be incurred either by owners or underwriters of ship and cargo.

The difficulties which at present attend the pilotage of the river will no doubt be materially lessened by the employment of a steam flotilla for the survey service; and while the Committee express their conviction that the Lieutenant-Governor is justly sensible of those difficulties and of the improvements which may be introduced in order to remove them they trust His Honor will pardon the importunity with which they repeat their application for a speedy realisation of the means best adapted to that end, and that the Government of India may be moved to an early decision on the question submitted for their consideration nearly two years ago.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 24th October 1876.

The attention of the Committee of the Chamber of Commerce has been drawn to a communication in the "Statesman" newspaper of yesterday regarding the state of the river where the steamer *Cawdor Castle* was lost on the 7th instant.

Although that communication is anonymous and unauthenticated it nevertheless publicly declares that the river surveyor knew nothing of the state of the channel

and either impliedly charges that officer with gross neglect of duty or else affords, if the statement be true, another instance of the utter uselessness of the present system of survey. The Committee therefore consider it imperative that they should bring the matter officially to the notice of Government in order that the surveyor should have the earliest opportunity of vindicating his conduct and of satisfying the Government that his survey of the channel in question has been made with every degree of accuracy which it was his duty to determine, and that for the loss of life and property recently sustained he is no way responsible.

This lamentable occurrence is a superadded illustration to the numerous casualties in the river of the paramount necessity for placing the survey service on the most efficient footing and introducing such amendments of the present system as may be called for by the exigencies of the increasing commerce of the Port, and—to use the words of the survey Committee in their late Report to Government—"to meet the pressing demand for instantaneous action" and the Committee of the Chamber of Commerce trust that this present renewal of their oft repeated representations for four years regarding the river and the most effectual means of maintaining its channels in a securely navigable condition will engage the attention of His Honor the Lieutenant-Governor.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 18*th November* 1876.

In reply to your letter of the 24th October 1876 I am

directed to say that from enquiries made it seems that the letter of the anonymous correspondent of the "Statesman" newspaper was based on a misapprehension of the real condition of the main channel. At the time of the wreck of the *Cawdor Castle*, with a rise of 7 feet above low water level, the depth of water between the lines of buoys forming the boundaries of the channel was 28 to 32 feet on the western and 24 to 26 on the eastern side. It would seem that the alleged experiments of the writer were probably made in the "Auckland Channel" which is is not far distant from the scene of the wreck, but which is closed against the general shipping and is only navigable at high water by small vessels.

2. I am to add that the survey of the channel in which the wreck occurred was published after careful enquiry in February last, and that repeated examinations which have since been held have failed to show any change in the depth of the channel or in the position of the sand.

3. A scheme for the complete reorganization of the River Survey service has recently as the Chamber of Commerce is aware, been submitted for the consideration of the Supreme Government and is now awaiting the orders of His Excellency in Council.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 4th December 1876.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2990 of the 18th ultimo, from which they are glad to learn that

the statement of an anonymous correspondent of the "Statesman" newspaper, reflecting on the conduct of the River Surveyor was based on a misapprehension of the real condition of the channel where the Str. *Cawdor Castle* was lately wrecked.

The Committee are of opinion that the explanation contained in your letter appears to entirely exonerate the surveyor from charges which they considered it to be their duty to bring to the notice of Government, and they accept with satisfaction the result of the prompt investigation which has attended their reference.

STAMPS ON SHARE TRANSFER DEEDS.

THIS question came up in consequence of a notification from the Board of Revenue on the alleged evasion of the stamp duty by the almost universal practice of using blank transfer deeds in the purchase and sale of joint stock shares. The Committee deprecate any action on the part of Government that would in any way curtail the ready passing of shares from hand to hand. The suggestions they have made will, in their opinion, preserve this absolute freedom of transfer, and still secure to the Government a large increase to their revenue.

From Chamber of Commerce to Board of Revenue.

Calcutta, 10*th August* 1876.

The Committee of the Chamber of Commerce having

learned that strong objections have been raised to the Board's Notification of 20th June last relative to Share Transfer Deeds, the subject has been taken by them into consideration, and I am directed to communicate the following expression of opinion for submission to the Member in charge.

The Committee observe that the General Stamp Act—18 of 1869—provides, under section 5 (*b*), that stamps on all instruments chargeable under the Act, other than those previously enumerated, shall be impressed or otherwise denoted by the Collector or Superintendent of Stamps in accordance with such rules as the Governor General in Council may from time to time prescribe; but they fail to discover any authority under which the Board assumes the power put forward in the Notification; and in the absence of any rule prescribed by the Governor General in Council sanctioning the Board's procedure, the Committee apprehend that the Notification has been issued without warrant, and they therefore pronounce it void and of no legal force.

If, however, the Committee have taken an erroneous view of the Board's action they will be glad to receive the necessary correction and to acknowledge that their objection on the ground of illegality cannot be sustained.

But even admitting the possibility of such an issue the Committee consider the Notification open to objection on the ground of the impolicy of its provisions.

In the first place the Board's order would have the mischievous effects of lowering the value of all joint stock

property, the shares in which are transferable by deed and not by simple endorsement, by restricting the freedom with which such stock should be negotiable; and in the second place, as a necessary result, it would defeat the object of increasing the Stamp Revenue.

The Board cannot be unaware of the fact that the various industries which have been gradually developed and have materially increased the commerce of Calcutta —the trade in Indian tea and jute and cotton manufactures, for example, which is assuming proportions of considerable magnitude—are largely dependent on the local Banks for funds to conduct their operations: but the Banks are barred, on a well understood principle, from acquiring a proprietory interest or partnership in such industries; they cannot consequently assume the position involved in the Board's order: and the advances on property of this description are secured by blank transfer deeds which they negotiate when necessary.

But if the Board's order is made compulsorily applicable, the Banks would abandon a business they could no longer undertake, and the withdrawal of the facilities they have hitherto afforded would create an amount of inconvenience and embarrassment which would be attended with disastrous results.

The Committee are aware of the existence of what they may call "gambling" transactions in shares, and that the Board's order would effectually stop these: it would, however, seriously check all legitimate transactions, lower the value of all stocks, and prevent further development to a large extent.

NOTIFICATION.

No. 701B.

The following order is published for general information :—

STAMPS.
A. Money, Esq., C. B.

Whenever a share transfer deed is taken to the office of the Collector of Stamp Revenue, Calcutta, to be stamped by the process called "denoting" under the provisions of Section 5 (*b*) of the General Stamp Act XVIII of 1869, it shall be the duty of the Collector to require the following particulars to be shown in the deed before affixing the proper stamp thereto, *viz.* the date of the transfer, the names of the parties, *i. e.*, the transferer and transferee, the amount of the consideration money, the number of the shares conveyed, and a description of them. The instrument, however, should not be executed or signed by the transferer or transferee till after the stamp has been affixed.

From Board of Revenue to Chamber of Commerce.

Dated, Fort William, 24th August 1876.

With advertence to your letter dated 10th instant, commenting on the Board's Notification of 20th June last relative to share transfer deeds, I am directed to state that the rules prescribed by the Governor General in Council for the denoting of stamps define, (1) what officers may denote, (2) what class of instruments may be denoted, and (3) in what manner the denoting is to be effected.

2. The Act provided that the stamp is to be denoted on an "instrument chargeable with duty" and the rules of the Governor General in Council provides that, among other instruments chargeable with duty, stamps may be denoted on "Transfer of Shares in a Company or Association." A mere blank deed of transfer is not an instrument within the meaning of the Act, and it becomes such an instrument when the blanks are filled up in the manner directed in the Notification to which objection is offered.

3. With regard to the Chamber's objection on the score of the impolicy of the provision of the Notification, I am to point out that the object of the Notification is to check the practice of using blank transfer deeds whereby the revenue is defrauded. The Law, I am to observe, contemplates every transfer of shares being attended with payment of stamp duty. The Board will be much obliged if the Chamber will indicate any plan less objectionable to the commercial community, by which the same object can be effected as is sought to be attained by the late Notification.

From Board of Revenue, L. P., to Chamber of Commerce.

Fort William, 13th December 1876.

I am directed to invite your attention to my letter No. 1035B, dated 24th August last, and previous correspondence, on the subject of share transfer deeds, and to request that the Member in charge may be informed whether the Chamber of Commerce have given the matter

any further consideration. The stamp law being now under revision by the Legislative Council this is an opportune occasion for bringing the question to the notice of the Government of India, and if the Chamber can suggest any feasible plan, which will provide for every share transfer deed being duly stamped, the Member in charge will have much pleasure in considering their proposal, in view to an amendment of the present procedure. An early answer is requested.

From Board of Revenue, L. P., to Chamber of Commerce.

Fort William, 12th January 1877.

I am directed to invite your attention to my letter No. 1523B, dated 13th December 1876, regarding the stamping of share transfer deeds, and to state that Member in charge will be much obliged by a reply thereto at an early date.

From Chamber of Commerce to Board of Revenue.

Calcutta, 22nd February 1877.

The Committee of the Chamber of Commerce direct me to resume the subject of their reference of 10th August last relative to the imposition of stamps on Share Transfer Deeds, as required by the Board's Notification of 20th June 1876.

To that representation the Board were good enough to reply on the 24th, and concluded their letter with

the request that the Chamber would indicate some plan less objectionable to the commercial community by which the same object could be effected as was sought to be attained by the Notification, to the provisions of which the Chamber had taken exception.

The Board again addressed the Chamber on the 13th December, and finally on the 12th ultimo they reinvited the Committee's attention to the subject under review.

While the Committee desire to acknowledge the Board's courtesy in this respect and to thank them for the opportunity of expressing their views, they instruct me to apologise for the delay which various circumstances have occasioned in submitting this further communication for the Board's consideration.

When the Notification of 20th June was published, its provisions were very generally objected to, for the reasons assigned in the Chamber's remonstrance of 10th August, but the Board, in reply thereto, declared, that the purpose of their Notification was to check the practice of using blank transfer deeds, whereby the revenue was defrauded, since the law contemplated every absolute transfer of shares being attended with payment of stamp duty.

The General Stamp Act of 1869 does undoubtedly impose that obligation, and the Committee of the Chamber concur in the Board's interpretation of that provision; but they are at the same time of opinion that the language of the Notification covers more than is necessary to protect the revenue, and that it would be exceed-

ingly mischievous if its practical adaptation were extended to all the transactions which the Board consider should be amenable to the Law of Stamps.

On the impolicy of the measure the Committee have already expressed their views, and the following reasons for amending the law are submitted for the Board's consideration.

1*st.*—*The ad valorem duty on transfer of Joint Stock shares is excessive.*

2*nd.*—*The delay in getting stamps impressed is a most troublesome obstacle in the way of prompt and speedy transfers, which can only be removed by—*

3*rd.*—*The use of adhesive stamps.*

On the 1st point it is represented that the *ad valorem* duty chargeable on each separate transfer is too high and operates as a considerable inducement to evade the law and thereby defeat the Board's object: and expedients are resorted to which would not be even imagined if transfers were legalised by the imposition of a tax sufficiently light which no one would think of resisting.

The Committee therefore propose that all transfers of shares subsequent to the first conveyance by deed—which shall be subject, as at present, to the *ad valorem* rate—shall be legalised by the payment of a fee of 8 annas on each transfer to be recorded on the original deed.

The collateral advantages of such an amendment of

the law would be that the difficulty of Banks purchasing as agents for third parties would be got over; that the hands through which the shares have passed would be readily traced; and that all intermediary holders would be legally protected from any proprietary responsibility which would rest of course with the last transferree.

On the 2nd point it is represented that the delay in getting stamps impressed is one of the greatest inconveniences which attend the transaction of business in those securities which, under the Board's Notification, are required to be taken to the Collector's office to be stamped by the denoting process.

The Committee do not hesitate to declare their concurrence in the strong objections raised to that procedure, which they regard as probably a greater evil than the duty itself; shares change hands frequently during the day, and to subject each transfer to the necessity of attending the Collector's office and undergoing the denoting operation is tantamount to a prohibitory arrest of business. It appears to the Committee that this compulsory intervention of the law is a most injudicious dealing with commercial interests; they submit that to encourage the utmost freedom of negociation of shares in public companies should be the Board's object rather than their restriction by harrassing restraints; and that there is as much reason to treat them with some measure of consideration as there is to extend the most absolute exemption to Government loans or public funds.

The Board would have no difficulty in comprehending and appreciating the position if every transfer of Govern-

ment Paper was required to undergo the process enforced by law on Joint Stock Property: the value of Public Funds would be injuriously influenced by such process, and the facility of transfer by blank or special endorsement which now obtains, and which in a degree sustains the value of those Securities, would be superseded by a system adverse to their instant negociation, and consequently to the interests of both the State and its creditors.

The Committee are aware that this inequality cannot be remedied or removed, and that the law must be observed; but the law may be so framed and administered as to make its provisions as little inconvenient as possible to those who have to bear the burden of taxation.

This naturally leads to the 3rd question—whether transfers of shares cannot be legalised by the substitution of adhesive for impressed stamps. The Committee are of opinion they can and should be; and that the authorised application of the former on such instruments would be of incalculable advantage in transacting business of this kind which would be greatly facilitated if the present compulsory provision of the law were amended as proposed.

The suggestions now submitted for the Board's consideration necessarily involve an alteration in Act X of 1866.

TELEGRAPH RULES AND TELEGRAPH SERVICE.

The last report contained the representations of the Madras and Calcutta Chambers as to charges of repetition of messages mutilated in transit, and as to the compulsory addition of 50 per cent on figure cipher messages *from* India, while they are allowed to come *to* India at ordinary rates. The annexed letter from the Government of India will show that our very reasonable request has been rejected by the parties to the Convention, and that, till another Conference meets, there will be no opportunity of having the anomaly rectified.

From Govt. of India to Chamber of Commerce.

Fort William, 5th March 1877.

In continuation of this office letter No. 256 T. of the 4th August 1876 and No. 307 T. of 3rd October last, I am directed to inform you that the proposal of the Indian Telegraph Department to relax the existing rule respecting cipher messages, and the proposition of the British Postal Telegraph Department to modify the regulations affecting free repetition of doubtful passages in telegrams, have both been rejected by the parties to the Convention. The existing rules must therefore remain in force, until the assembly of another conference affords an opportunity for endeavouring to amend them.

STANDARD WEIGHTS.

This matter has been several times urged on the Government. As far back as January 1875 the Government of Bengal were apparently only waiting the receipt of a sufficient number of standard seer weights from England to substitute them, under the provisions of Act 31 of 1871, for the variety of weights now in use. This question arose originally in 1863; it was declared by the Government as far back as 1868 to be one urgently requiring immediate reform; an act to remedy the evil has been in existence since 1871; and it is more than 2 years since the Secretary of State was asked to make arrangements for supplying the requisite standard weights. But with all this show of interest, the evil remains unabated.

From Chamber of Commerce to Govt. of India Dept. of Revenue, Agriculture and Commerce.

Calcutta, 26th February 1877.

The Committee of the Chamber of Commerce beg the earnest attention of Government to the subject of weights, and to state that in a communication dated 25th January 1875 the Government of Bengal replied to a representation relative to the great inconveniences arising from the defective weights in ordinary use throughout British India; and while the Lieutenant-Governor expressed his concern for the mischievous consequences of a radically imperfect system His Honor pointed to the

probable early receipt from England of standard seer weights, as prescribed by Act 31 of 1871, under the provisions of which the standard adopted by Government would authoritatively displace the numerous varieties of weights current throughout the country.

After so long an interval of patient expectation and continued exposure to a system emphatically condemned by Government, the Committee of the Chamber venture to express their disappointment that the legislative enactment of 1871 should have remained totally inoperative.

That measure was passed after long discussion of the question originally raised in 1863; it was declared by Government in 1868 that an immediate reform was urgently required; that the diversity of weights throughout the country was a most serious evil; and that reform was needed not only to facilitate and simplify commercial operations, but also as an essential preliminary towards suppressing the fraudulent practices so common among retail dealers.

Notwithstanding these admissions and the enactment of a special measure to accomplish the object of Government there has been no practical realisation of its purpose, and the evils which it was intended to remove remain undisturbed and unredressed to the present moment.

The Committee therefore respectfully ask for the enforcement of Act 31 of 1871 at the earliest date possible, and that measures may be at once taken with the view to its application in the manner contemplated by Government.

AUSTRALIAN MAILS.

From Chamber of Commerce to Director General of Telegraphs.

Calcutta, 5th March 1877.

The Committee of the Chamber of Commerce desire me to represent that it will be a convenience to the commercial public if the arrival at Bombay of mail steamers from Australia is reported in the *Telegraph Gazette* similarly to the announcement from Galle: and if the Chamber's application be complied with the Australian mails would be reported uniformly with those from China. The Committee trust you will oblige by moving the Government of India to a compliance with this request.

From Director General of Telegraphs in India, to Chamber of Commerce.

Calcutta, 9th March 1877.

With reference to your letter of the 5th instant, I find that the Australian mail usually arrives in Bombay by the China mail steamer, and that when this is not the case, the Light house signal station does not report to this department the arrival of the steamer from Australia.

2. In view to meeting the wishes of the Chamber, measures will be taken for procuring regular reports of the arrival of the Australian mails at Bombay.

From Chamber of Commerce to Director General of Telegraphs.

Calcutta, 13th March 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 3245 of the 9th instant, and to express their thanks for your obliging compliance with their application regarding the Australian mails.

Election of Mr. J. A. Crawford, Collector of Customs, as Honorary Member.

The uniformly impartial conduct displayed by Mr. Crawford during his long tenure of the office of Collector of Customs seemed to the Committee to call for some recognition at their hands on his retirement, and they have accordingly elected him an Honorary Member of the Chamber, subject to usual confirmation.

From Chamber of Commerce to J.A. Crawford, Esq., Collector of Customs.

Calcutta, 2nd March 1877.

The Committee of the Chamber of Commerce desire me to communicate to you the resolution hereto annexed, and in placing it in your hands I beg to assure you of the very sincere pleasure I feel in being the medium of conveying the acknowledgment it contains.

Proposed by the President,
Seconded by the Vice-President,

As Mr. J. A. Crawford, Collector of Customs, is about to retire from the service, it is resolved that, in acknowledgment of the general appreciation of his uniformly fair and impartial conduct both towards the Government and the merchants in the discharge of the very difficult duties of the position he has held for so many years, he be elected, subject to the usual confirmation, an Honorary Member of the Bengal Chamber of Commerce.

From Mr. Crawford to Chamber of Commerce.

Calcutta, 2nd March 1877.

I have the honor to acknowledge the receipt of your letter of this day, enclosing copy of a resolution of the Committee of the Chamber of Commerce by which I have been elected an Honorary Member of the Chamber.

I request you will do me the favor of communicating to the Committee of your Chamber my deep sense of the honor they have conferred on me. I have always felt that to have deserved well of his fellow men is the highest honor that any man can desire. It is therefore peculiarly gratifying to me to find at the close of my career that my conduct of my official duties has earned the approval of those with whom I have been so long officially connected.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce from 1st November 1876 to 30th April 1877.

			Rs.	A.	P.				Rs.	A.	P.	Rs.	A.	P.
To Rent			900	0	0	By Balance—								
„ Establishment			5,361	0	0	Cash			2,009	10	6			
„ Charges General			4,549	2	2	Reserve in Government Paper			10,000	0	0			
„ Cost of Rs. 2,000, 4 per cent. Government Paper			2,046	14	2							12,009	10	6
			12,857	0	4									
„ Balance—						„ Subscriptions			7,952	0	0			
Cash in Bank of Bengal	20	5 0				„ Price Current and other Publications			3,249	4	0			
„ in hand	1,204	15 8				„ Sundries			671	6	6			
Reserve in Government Paper	12,000	0 0				„ Interest			200	0	0			
						„ Government Paper added to Reserve			2,000	0	0			
			13,225	4	8							14,072	10	6
		Rupees	26,082	5	0			Rupees				26,082	5	0

CALCUTTA,
30th April 1877.

E. E.

H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the PORT OF CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 12th February 1872, with effect from 1st September 1872, except as regards the measurement of Cotton, Hemp, Jute, Jute Cuttings, Rhea, Safflower, and other articles similarly packed, which, under the Chamber's Resolution of 14th June 1872, had effect from 1st July 1873.

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Aloes, in bags and boxes	20	.....
Alum, in ditto	20	.....
Aniseed, in bags	8	.....
Arrowroot, in cases	.....	50
Arsenic, in bags or cases	20	.....
Asafœtida, in bags and boxes ...	20	.....
Apparel, in boxes	.....	50
Bark, in bags	8	.....
Bees' Wax	20 gross	
Barilla	20	.....
Betel-nut	20	.....
Books	.....	50
Borax	20	.....
Bran	14	.....
Brimstone	20	.....
Bullion	at per cent.	
Cake-lac, in bags	16	.....
Camphor, in cases	.....	50
Cardamoms, in robins	8	.....
,, boxes	.....	50
Cassia, in boxes	.....	50
,, bags	12	.....
Castor Seed	15	.....
Chillies, (dry) in bags	8	.....
China Root, in bags	11	.....
,, boxes	.....	50
Chiretta	.....	50
Churrah	14	.....
Cigars	.....	50
Cloves, in bags	8	.....
,, boxes	.....	50
Coals	20	.....
Cochineal	.....	50
Coffee, in bags	18	.....
,, casks	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Coral, rough	20	.....
Coir, loose and unscrewed ...	12	.....
Copras, or Cocoanut Kernel ...	14	.....
Coriander Seed	12	.....
Cotton	.....	50
Cowries	20	.....
Cummin Seed	8	.....
,, Black	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
,, dry	16	.....
Dholl	20	.....
Elephants' Teeth in bulk ...	20	.....
Furniture	.....	50
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Gums, in cases ...	.....	50
Gunny Bags and Gunny Cloth ...	.....	50
Gunjah	.....	50
Hemp	.....	50
Hides, Buffalo, or Cow, cured ...	14	.....
Hoofs, Horn Shavings and Tips ...	20	.....
Horns, Cow, Buffalo, or Deer ...	20	.....
India Rubber, in bags	16	.....
,, in cases	.....	50
Indigo	.....	50
Iron	20	.....
Jute	.....	50
Jute Cuttings	.....	50
Lac Dye	.....	50
Lard	20 gross.	
Linseed	20	.....
Mace	.....	50
Machinery	20	.....
Metals	20	.....
Mathie Seed	18	.....
Mirabolams	16	.....
Molasses	2 puncheons or 4 hhds.	
Mother o'Pearl, in bags ...	20	.....
,, chests	20	.....
Munjeet	.....	50
Mustard or Rape Seed ...	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks ...	.....	50

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	50
„ casks	4 hhds.	
Opium	per chest	
Paddy	16	.....
Palmatine, in bags	16	.....
Peas	20	.....
Pepper, Long	12	.....
„ Black	14	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Putchuck	10	.....
Rags	.....	50
Raw Silk, in bales	10	.....
Rattans for dunnage	20	.....
Red Wood, ditto	20	.....
Rhea	.....	50
Rice	20	.....
Rope, in coils	.....	50
„ Lines and Twines, in bundles ...	16	.....
Rum, in casks	2 puncheons or 4 hhds.	
Safflower	.....	50
Sago, in cases	.....	50
Sal-amoniac, in bags	20	.....
„ boxes	20 gross.	
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	.....	50
Seed-lac, in cases	.....	50
„ bags	16	.....
Senna	.....	50
Shells, rough, in bags	20	.....
Shell-lac, in cases	.....	50
„ bags	16	.....
Silk Chussum	.....	50
„ Waste	.....	50
Silk Piece Goods	.....	50
Skins	14	.....
Soap, country, in cases	.....	50
„ bags	15	.....
„ bar	20	.....
Stick Lac, in cases	.....	50
„ bags	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Sugar	20	.....
Tallow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks.. ...	20	.....
Tapioca	.....	50
Tea	.....	50
Teel Seed	20	.....
Timber, round	.....	40
,, squared	.....	50
Tincal	20	.....
Tobacco, in bales	16	.....
Tortoise Shells, in chests	.....	50
Turmeric	16	.....
Wheat	20	.....
Wool	.....	50

1. Goods in Casks or Cases to be calculated gross weight when paying freight by weight ; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in bales varying from 300 to 400 lbs.

4. The term " dead weight" shall be understood to mean the following articles :—Sugar, Saltpetre, Rice, Wheat, Gram, Dholl, Peas, Linseed, Rapeseed and all Metals.

H. W. I. WOOD,

Secretary.

SCHEDULE OF COMMISSION CHARGES,

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce held on the 18th June 1861,—with effect from 1st January 1862.

1.	On the sale, purchase, or shipment of Bullion, Gold Dust or Coin	1	per cent.
2.	On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones, or Jewellery	2½	„
3.	On purchasing ditto when funds are provided by the Agent	5	„
4.	On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ...	5	„
5.	On returns for Consignments if made in produce ...	2½	„
6.	On returns of Consignments if in Bills, Bullion, or Treasure	1	„
7.	On accepting Bills against Consignments ...	1	„
8.	On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ...	2½	„
9.	On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn ; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2*s.* per rupee.	half com.	
10.	On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent ...	2½	per cent.
11.	On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived	2½	„

12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money ... ... 2½ per cent.
13. On *del-credere* or guaranteeing the due realization of sales ... ... 2½ „
14. On the management of Estates for Executors or Administrators ... ... 2½ „
15. On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading ... ... 2½ „
16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ... 2½ „
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive 5 „
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings .. ... 5 „
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file ... ... 2½ „
20. On realising inward freight, inward troop, Emigrant, or Cabin passage money ... ... 2½ „
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ... 5 „

If Opium, Indigo, Raw Silk, or Silk Piece Goods... 2½ „
If Treasure, Precious Stones, or Jewellery ... 1 „

22. On effecting Insurances, whether on lives or property ... . ½ per cent.
23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium ... ... 2½ „
24. On drawing, purchasing, selling, or negotiating Bills of Exchange ... ... 1 „
25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... 2½ „
    Or if recovered by such means ... ... 5 „
26. On Bills of Exchange returned dishonored ... 1 „
27. On collecting House Rent ... ... 2½ „
28. On ship's Disbursements ... ... 2½ „
29. On realising Bottomry Bonds, or negotiating any loan on *respondentia* ... ... 2½ „
30. On granting Letters of Credit ... ... 1 „
31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another ... ... ½ „
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ½ „
33. On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged ... ... ½ „

☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

Aikman, J., Esq., *Acting Agent, Chartered Bank of India, Australia and China.*
Agelasto, A. and Co.
Apcar and Co.
Ashburner and Co.
Anderson, Wright and Co.
Balfour, J., *Offg. Agent, Oriental Bank Corporation*
Barlow and Co.
Begg, Dunlop and Co.
Borradaile, Schiller and Co.
Buskin, E. G.
Burn and Co.
Carlisles Nephews and Co.
Caritt & Co.
Cochrane, S., *Manager, Agra Bank, Limited.*
Colvin, Cowie and Co.
Crooke, Rome and Co.
Cox, Henry S.
Cohn Brothers and Co.
DeSouza, Thos. and Co.
Duncan Brothers and Co.
Dwarkanath Dutt and Co.
Ede and Hobson.
Ernsthausen and Oesterley.
Ewing and Co.
Elliott, John and Co.
Ezra, E. D. I.
Fergusson, J. H. and Co.
Finlay, Muir and Co.
Gisborne and Co.
Got, Bru & Co.
Graf and Banziger.
Graham and Co.
Grindlay and Co.
Gubbay, Elias S.
Henderson George and Co.
Heilgers, F. W. and Co.
Herbert, C. H., Esq., *Agent, Chartered Mercantile Bank of India, London and China.*
Hoare, Miller and Co.
Howe, Goodwin & Cole.
Huber and Co.
Jardine, Skinner and Co.
Kettlewell, Bullen and Co.
Kelly and Co.
Ker, Dods and Co.
King, Hamilton and Co.
Longmuir, T., *Manager, Delhi and London Bank, Limited.*
Lovell, H. P., *Supdt., P. & O. Steam Navigation Company.*
Mackillican, J. and Co.
Macallister, R. and Co.
Mackinnon, Mackenzie and Co.
Mackenzie, Lyall and Co.
Macneill and Co.
Macknight, Anderson and Co.
McIntosh, A. R. & Co.
Moran, W. and Co.
Morriss, E., *Agent, Hong-Kong and Shanghai Banking Corporation.*
Nicol, Fleming and Co.
Payn, T. Esq., *Manager, Comptoir d'Escompte de Paris.*
Petrocochino Brothers.
Prawnkissen Law and Co.
Prestage, F. Esq., *Agent of the Eastern Bengal Railway Company.*
Ralli Brothers.
Ralli and Mavrojani.
Reinhold and Co.
Robert and Charriol.
Rentiers and Co.
Robinson, S. H., *Secretary, Goosery Cotton Mills Co.*
Schroder, Smidt and Co.
Schoene, Kilburn and Co.
Sasseon, David and Co.
Shaw, Finlayson and Co.
Steel, Octavius & Co.
Thomas, J. and Co.
Turner, Morrison and Co.
Toulmin, L. W. and Co.
Tamvaco and Co.
Tambaci, Paul and Son.
Ulhmann, Hirschhorn and Co.
Valetta, N. J. and Co.
Weinholt Brothers.
Wilson, H. F., (*Mofussil.*)
Windram, J., *Manager, National Bank of India.*
Whitney Brothers and Co.
Williamson Brothers and Co.
Wiseman, Mitchell, Reid and Co.
Yule, Andrew and Co.

Honorary Member.
J. A. Crawford, c. s., late Collector of Customs.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

First .... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second.... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.

Third....That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.

Fourth....That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth.....That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth ... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven Members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth.... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature ; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the Members of the Committee shall be forthwith filled up by selection by the Committee subject to approval at first ordinary general meeting thereafter.

☞ *It is specially requested that before a Member is returned to serve on the Committee his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.*

Ninth... That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.

Tenth... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.

Eleventh. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.

Twelfth. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Thirteenth. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting, at which such report and proceedings of the Committee shall be submitted for approval.

Fourteenth. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Fifteenth. That General Meetings of the Chamber shall be held at such times as the Com-

mittee may consider convenient for the despatch of business.

Sixteenth. That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.

Seventeenth. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.

Eighteenth. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.

Nineteenth. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.

Twentieth. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.

Twenty-first. That the Chamber reserves to itself the right of expelling any of its members;

such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third... That no change in the rules and regulations of the Chamber shall be made except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

Cones and Co., No. 307, Bow Bazar Street.

REPORT

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st May to 31st October 1877.

Calcutta:

Jones & Co., No. 307, Bow Bazar Street.

1877.

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PROCEEDINGS

OF THE

HALF-YEARLY GENERAL MEETING

OF THE

BENGAL CHAMBER OF COMMERCE,

held on Monday the 18th February 1878.

DUNCAN MACKINNON, ESQ., *President, in the Chair.*

The Chairman, in opening the proceedings, said: Gentlemen,—The Report which I have the honor to lay before you is said to be one concluding the half-year ending 31st October, but in reality it is a report ending 31st January. Every one was busy towards the end of last year, and calling a General Meeting then was considered somewhat impracticable.

With reference to the subject which the late President left as a legacy to the Committee, we were unfortunately unable to take it up promptly, because the Committee at first was not properly constituted, and when it was, the opportunity for bringing the matter forward, or pressing it, was gone. The subject I allude to was *the financial operations of Government with reference to Loans and Council Bills.* It had been submitted to Government by the Bombay Chamber of Commerce, and the answer they

received was sufficient for the purpose. So far therefore as that matter goes it is settled for the time being, but it is my opinion that when any change is made in the drawing of Council Bills on India it should be signified in London simultaneously with the announcement in the Presidency Towns of this country. I do not think it was right, as happened last December, that we should receive intelligence of the resumption of the drawing of Council Bills through *Reuter* before we received it from Government.

With regard to the *Hooghly Bridge toll on Coal*, it is a great satisfaction to the Committee to be able to record the successful issue of their representations on this subject.

On the subject of the *coolie strike*, the Committee were quite at issue with the Chairman of the Municipality as to what was meant by the term *coolie supplier* employed in the Municipal Act. I believe that in a certain sense a coolie sirdar may be said to supply a stevedore with coolies, but it is the stevedore who supplies the ships. The sirdar gets a salary, but he obtains no emoluments whatever in connection *with supplying coolies*, and the coolie receives from the sirdar the full amount of his hire without any deductions whatever.

With regard to the *Port Commissioners' jetty*

charges and appropriation of surplus revenue, that matter is yet in abeyance, as His Honor the Lieutenant-Governor does not consider that the time has yet come for a reduction of jetty charges.

It is the opinion of, and it has been proposed by, several members of the Chamber that *cargo boats* should be placed under legislation. The Committee, finding a diversity of opinion on this subject, sent all the communications they received regarding it to the Government of Bengal, but up to this time nothing has been done. So far as I am concerned, my own opinion is that the mercantile community should endeavour to do away with the existing custom of fixing the *ghât* rate, and that they ought to know, before engaging a boat, what they have to pay. I know natives in the rice trade are able to fix the hire of boats beforehand; I myself got boats for Rs. 30 per day, and two days afterwards the *ghât* rate for that day was declared to be something like Rs. 90. I cannot be positive as to the figures, but the difference was glaring.

The Pilot Service is the next subject mentioned, and this has taken up a good deal of our attention. We believe the position of this service is practically the same as it was before. The most important proposal was that applications for indi-

vidual pilots should be discontinued and appointments made by the Marine Authorities. The Committee invited the views of members of the Chamber, and they are glad to be able to report that His Honor the Lieutenant-Governor has conceded the points asked for, and that with certain limitations, which can hardly be objected to, appointments of pilots are made on applications as before.

The Consolidated Customs' Bill was the next matter which took up the attention of the Committee, assisted by several other members of the Chamber, for a considerable time, and various alterations were suggested. The most essential of these related to the loading and free-boating of export cargo without a pass. The Committee expressed a strong opinion that all boating should be allowed without passes; and this was really not calculated to cause any evasion of the Customs Act so long as ships attended to their duties, and the heavy penalties contemplated in the Act if imposed should be sufficient to secure this.

With regard to the question of the *duty on salt in private and Government golahs,* the Committee have also expressed a strong opinion. I certainly consider it hard that in a case where an importer cannot get a Government golah, and

has to put his salt into a private one, which he cannot do without the permission of Government; yet, if there should be a wastage of more than the ordinary allowance of 2½ per cent., he has to pay duty on the excess deficiency. This order is based I presume on the assumption that the cargo may have been tampered with, but the customs authorities will not take charge of the keys. There has been no case yet brought forward in which it has been suggested that the cargo has ever been tampered with, but because a merchant cannot get a Government golah—I am sure no one would refuse to take it if he could get it—he is charged in a most arbitrary manner. It is to be hoped that a reply from the Government will soon come and set this matter right.

I do not think there is anything more in the Report which calls for any special remark from me, and *I have now to move that the Report be adopted.*

The motion was seconded by Mr. J. C. Murray, and carried.

The President said: I have now to place before you the *Committee's election of Mr. T. F. Hamilton as a member of the Committee,* and to move that it be confirmed.

The motion was seconded by Mr. S. Cochrane, and carried.

The Chairman then said.—I omitted to mention that I was glad to see the subject of the means of transport of the East Indian Railway Company had been receiving the Company's attention at last. A part of the materials for the 1,000 wagons which were sanctioned last year is out here at last, and the remaining portion is expected before long. It is true they will arrive about a year too late, but they will, in all probability, be utilised on other occasions.

I have now to place before you the matter of *the Overland Mail Contract.* The Director General of the Post Office said he would like to receive an expression of opinion from this Chamber on the subject. The Bombay Chamber of Commerce took up the matter some time ago, as did also the Chamber of Commerce at Madras; and I see from to-day's papers that notice of the termination of the contract has been given. The letter from the Bombay Chamber has been submitted to our own members, and a considerable number of replies, varying in their terms, have been received. After due consideration, your Committee were unanimous in their opinion that the Bombay Chamber were probably asking too much; that Bombay

was not a port where cargo was shipped and passengers embarked all the year round, and that if a high rate of speed was insisted upon a large subsidy would be necessary. At the same time we agreed that tenders should be called for, and that practically the service between Brindisi and Bombay should be a special one. We do not want to sever from the contract the Australian and China mails, so long as the mail from Bombay to Brindisi and that from Brindisi to Bombay are not detained. There is another point which has engaged our attention, and that is whether the Southampton route should be retained. For mercantile purposes, we are of opinion that this is not necessary; but there are other interests which make the Southampton route still a desirable thing. I have to propose for your acceptance that we reply to the Director General of the Post Office in the following terms —not necessarily in the exact words, but in the substance of them; first, we say that,—"in the opinion of the Chamber the maintenance of the Southampton route is no longer required so far as mercantile interests are concerned, provided postal packets now coming *viâ* Southampton can be conveyed *viâ* Brindisi at not greatly enhanced rates." Secondly, we say,—and this resolution is one which practically makes the route from Brindisi to Bombay a special one—"As Indian mails from Brindisi have on occasions been de-

layed in Egypt waiting arrival of mails from Southampton, and as mails for Brindisi have also been, or may be, similarly delayed waiting arrival of mails from China or Australia—that the new contract, if it should include the conveyance of the Southampton, China or Australian mails, should expressly stipulate that no such delay shall be allowed, but that when these do not arrive in Egypt before, or at the same time, as the Indian and Brindisi mails, the latter shall be forwarded without delay and without reference to the others, which the contractors should be bound to send on by other Steamers."

The next question which comes under our consideration in this matter is that of *speed*. Under the present contract the speed is 9½ knots from Suez to Bombay, but the speed which the Bombay Chamber requires is 13 knots. Now, this does not mean that the steamer must have power to go at the rate of 13 knots, because there must be a reserve power as well. We are not quite of the opinion of the Bombay Chamber in this respect, and what we have to propose to you is that "The speeds stipulated for in the present contract are admittedly under those which present times warrant and demand. The Chamber, however, is not prepared to name any speeds which should be stipulated for, but would recommend, as a test of what can be had, that

tenders should be called for, and that tender selected which gave the highest speed combined with a subsidy which would not make enhanced postage a necessity, and which also could give the fullest assurance of ability to carry out the contract in its integrity."

The *duration of the contract* is the next point which has engaged our attention. The Bombay Chamber are of opinion that the contract should be for five years only, but your Committee are of opinion that it is impossible to provide for a high rate of speed unless the contract is for a longer term, more particularly if the vessels are not to be cargo vessels; because the contractors, at the end of the five years, would, if the contract was annulled, find themselves burdened with a class of vessels for which they had no further use. On this subject, therefore, the Committee propose that "Duration of contract should similarly be made matter of tender, as contractors would doubtless accept a long contract on more favorable terms to the public than a short one."

The fifth proposition is one in which I hope, and in fact I have no doubt, you will all concur: it is as follows:—

"In considering the tenders which may be

submitted, the Chamber would urge that the fullest consideration, consistent with public interests, should be given to that which will doubtless be made by the present contractors, who have so long, and certainly not unsatisfactorily, carried out the mail service between India and Europe.

"In submitting this the Chamber would take the opportunity of suggesting that when arrangements are being made for the more speedy receipt of European mails in India, their more speedy transit through India is a subject well deserving of attention. The mails last received in Bombay from Europe lay there for the greater part of a day before being despatched to Calcutta and other parts of India connected with the line of Railway leading to Calcutta."

For my own part, all I have to say is that I hope we shall see the P. and O. Company carrying mails as before, for I am of opinion they can do the work as well as any Company can. Bombay of course is moving hard to get her mails as quickly as possible, but the Calcutta mails are sometimes detained as long as eighteen hours in Bombay, and seeing that this is merely a question of money—an engine and a few carriages being made a special train—I do not see why the difficulty should not be obviated.

Mr. Murray suggested that as there was a

prospect of European complications, it would be as well if the Chamber distinctly laid down their opinion as to the advisability of maintaining a direct route between England and India, and he would, therefore, suggest that the following paragragh be substituted for the first paragraph in the memorandum submitted by the President, namely, that "in the opinion of the Chamber, although the maintenance of the Southampton route may no longer be required so far as purely mercantile interests are concerned, still they are of opinion it should be maintained between India and some point in England."

The amendment being unanimously agreed to, the resolution was passed.

The Chairman said that the Committee had also had their attention engaged with the *Negotiable Instruments Bill* and the *Stamp Act Amendment Bill.* The *License Bill* had been partially lost sight of, but the tax contemplated by it was not a very burdensome one.

In connection with the subject of the *Government taking over the East Indian Railway,* the Chamber had been addressed by the Bombay Chamber of Commerce, and the following reply had been sent :—

I have my Committee's instructions to state in

reply to your reference regarding the State taking over the East Indian Railway on expiry of the Company's contract, that they are not in favor of recommending to Government any particular course of action as long as they are not called upon by them to express their views, unless it comes to their knowledge that the Government are about to adopt a course prejudicial to commercial interests.

Mr. A. B. Inglis said, with reference to what had just been remarked with regard to the License Bill, he wished to draw the attention of the Meeting to the fact that it was unfair to exempt the professional and official classes from the provisions of the Bill. It was true, as had been stated by the President, that the tax was not a burdensome one, but he thought it should have been equitably distributed.

Mr. Cochrane said that under the Act professional persons were liable to pay the same amount for the provincial tax as they paid for the municipal tax.

Mr. Ewing said that in Bombay the maximum rate of taxation was Rs. 200, while here it was Rs. 500. He could not say whether the law there contemplated payment by one partner as sufficient payment by the firm.

After some desultory conversation on the same subject,—

It was moved by Mr. J. C. Murray, seconded by Mr. J. A. Anderson and carried, that a vote of thanks be offered to the President, Vice-President, and Committee, for their labours during the half-year.

The proceedings terminated with a vote of thanks to the Chair.

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year ended 31st October 1877.

THE Committee submit their Report on the principal subjects which have had their attention during the past half-year.

Financial operations of Government:— Loans and Council Bills.

This subject was referred to by the late President of the Chamber in his Address at the General Meeting held on the 30th May last.

The representation made by the Bombay Chamber on the 2nd of that month to the Government of India, relative to the indefinite and uncertain character of the announcement made in the Financial Statement of 15th March last with respect to Government loan operations and the Secretary of State's Bills on India during the year, had the unqualified approval of your Committee's predecessors in office, as communicated in their reply of 11th May: but their promised co-operation was rendered inpracticable

by unforeseen circumstances, and unfortunately the opportunity of submitting their views on this important subject was lost, for before your Committee was fully constituted the purposes of Government had been made public, and the occasion for communicating their opinions and endorsing the views so admirably expounded by the Bombay Chamber had passed away.

Those views were submitted by the Government of India to Her Majesty's Secretary of State, whose reply, as might have been anticipated, formally confirmed the Finance Minister's declaration that the Government could not commit itself to any definite course of action either as to borrowing in England or in India or in both countries, or as to the amount which the Secretary of State would require to raise for the service of the year by the issue of Council Bills on the Treasuries in India.

From Bombay Chamber to Bengal Chamber.

Bombay, 5th May 1877.

The Committee of this Chamber desire me to send to you printed copies of a letter which they have addressed to the Government of India on the subject of the uncertain character of the announcement made in the Financial Statement, with respect to the operations for the year in loans and bills, and the injury done thereby to mercantile interests.

The Committee, believing that you attach as much importance to this subject as they do, will be glad of your co-operation in urging upon the Government of India the adoption of a more definite policy; and they are hopeful that the representations of all the Chambers will have the desired effect.

From Bengal Chamber to Bombay Chamber.

Calcutta, 11*th May* 1877.

I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your favor of the 5th instant, enclosing printed copy of your letter to the Government of India, regarding the injurious effect on the trade of the country of their uncertain policy both as relates to the sale of their bills on India as well as to the loans to be raised.

My Committee fully endorse every argument brought forward by you, and they think this uncertainty, openly acknowledged, is the great defect in an otherwise able exposition of general views and proposed measures.

The question of the spasmodic way in which these bills have been offered or withdrawn, as suited the immediate views or momentary requirements of the Secretary of State, without apparent thought of the effect of his action on the trade of the country, has already formed the subject of frequent comment in our Chamber and the Government has been appealed to more than once on the point.

Our half-yearly meeting will take place in a few days, and the matter will be again brought forward before Members; in the meantime I am instructed to follow up the representation of your Chamber by a somewhat

similar appeal from ourselves. My Committee fully recognize the uncertainty under which the Government has been labouring hitherto, and they have been unwilling to add to the existing embarrassment by too early or premature action on their part. As the Bombay Chamber has, however, taken action in the matter, the Calcutta Chamber will gladly render them all the support in their power.

For the representations and remonstrances made by this Chamber against the financial proceedings of the Secretary of State last year, I am to request your reference to Report for the half-year ended 30th April 1876, as well as to the succeeding Report for the Marquis of Salisbury's elaborate justification of the measures adopted by him on that occasion.

From Bombay Chamber to the Govt. of India,

Bombay, 2nd May 1877.

I am directed by the Bombay Chamber of Commerce respectfully to address you on the subject of the indefinite and uncertain character of the announcement made in the Financial Statement of the 15th March, with respect to the loan operations, and to the Secretary of State's bills on the Government of India which will be sold in London during the year.

The estimates of these are, it is true, given in the Financial Statement, but their effect is completely nullified by the note on the face of the Statements Nos. IV, V and VI, which runs as follows :—"The estimates are the best that can now be made ; but they are subject to modification as the year goes on ; the Government must not be understood to pledge itself that the Secretary of

State in Council will raise by bills the exact amount stated; or that the exact amount stated will be borrowed during the year; or that it will be borrowed in India or in England as the case may be." Again, it is stated in the Financial Statement under the head of "Loss by Exchange" that, either by bills or by borrowing, the Secretary of State must get £16,000,000 for the Home Treasury in 1877-78; and that it cannot be said with certainty how much he will raise by bills and how much by borrowing. It is also observed with reference to the raising of the loan in India or in England, that the Governor General in Council will not, so far as the decision rests with him, submit to any unreasonable terms; and if the conditions acceptable to the money market in India should appear too unfavourable, he will not hesitate to recommend to the Secretary of State to endeavour to obtain power to borrow in England as much more than 3¾ millions sterling as is found to be really wanted.

The Finance Minister justifies this policy on two grounds—(1) that the assent of Parliament must be had before any money could be borrowed in England on behalf of India; and (2) that even if this difficulty did not exist, it would be hardly possible, under present circumstances, to pledge the Secretary of State to sell any specified quantity of bills at specified times, for fluctuations in the price of silver might be so serious, and might occur so rapidly, that it might be in the highest degree inconvenient to carry out the pledges which had been given.

While acknowledging the natural anxiety of His Excellency the Governor General in Council to diminish expenditure wherever it might appear to be practicable, the Chamber desires with great deference to submit that the

policy of not deciding upon and adhering to a fixed amount to be borrowed in India or in England, and a fixed amount of Council bills to be drawn weekly during the year, will be injurious to Government itself and to the country. The trade of the country is so mixed up with the financial arrangements of Government that it is in the highest degree desirable that Government in making these arrangements should adopt a frank, undeviating, policy, to be adhered to under all circumstances, for if any saving of expenditure were possible under the system now pursued, it would be of little moment when compared with the injury done thereby to the banking and mercantile interests affected by its operations. The Chamber can only think of two cases in which it might be desirable in the interests of the State, or of the trade of the country, to deviate from a fixed line of action, and these are—first, a threatened combination on the part of the buyers of Council bills; and, second, a financial panic which it might be the very legitimate desire of Government to allay.

The uncertainty which prevails with respect to the amount of Council bills to be offered for sale in London, during the year, is the greater evil, for while Government can gain nothing by its uncertain policy, not only are the entire banking and trading interests of the country, but all those having any relations with Europe, affected by the manner in which these bills are issued. These bills amount to about one-fourth of the whole export trade of British India, and the sales of them made regularly throughout the year, in accordance with the announcement of Government, would not be liable to be affected by any combinations of persons. It is, moreover, of ex-

treme importance to the numerous interests engaged in banking and commerce that the calculations upon which their transactions are based should not be subject to be at any time upset by a change, or suspension, of the amount to be offered for sale, which not only produces embarrassment, but has an immediate temporary effect on exchange. The violent fluctuations in the rate of exchange during the last year, and the crisis which took place in July, were aggravated by the frequent changes made in the Council drawings. During February and March no allotments were made at all: afterwards, when bankers and others had been driven to other modes of remitting to India supplies of Council bills were freely placed on the market, and sold at the market price down to 1*s.* 6½*d.* After the reaction began in July—in addition to the periodical drawings—Government offered to give large sums at a fixed rate on application at any time; and in this way, and also by offering bills for tender at unusual intervals without previous notice, they shewed such an anxiety to sell their bills that the reaction which had set in, and which would no doubt have been continuous, was checked, and a heavy fall in exchange brought about. It was only when Government reverted to regular periodical drawings that the natural tendency of exchange to advance was allowed free scope. The whole trade was mystified, and such of it as depended on the future of exchange paralysed by the unusual policy, and by the feeling of danger and uncertainty which it gave rise to. The price of bar silver in London fell in July to 47*d.*, and the rate of exchange to 1*s.* 6½*d.*, but after the panic had passed off, and when the regular and certain issues of Council bills came to be made, the price of silver and the rate of exchange gradually rose until, in

the end of January last, they stood at 58*d.*, and at 1*s.* 10¼*d.*, respectively. A feeling of confidence was gaining ground, and it was beginning to be assumed that the Council bills would be drawn regularly and without restriction, when suddenly on 31st January, and again on 7th February, a limit was fixed, owing to which a great part of the bills was withheld—and this for no other apparent reason than that of giving an artificial support to the rate of exchange. This return to the policy of last year was viewed with doubt and alarm by all those interested, but it was still hoped that the Budget Statement, the issue of which was shortly expected, would contain some definite announcement as to the future, and thus set at rest the uneasiness which existed. Such hopes, however, were disappointed, and the Chamber thinks it its duty to call the serious attention of the Government to the feeling of doubt and perplexity, which now prevail, to the unhealthy element of excitement and speculation which have been introduced, and to the grave harm which is thereby being done to trade on which the interests of the country so much depend.

Exchange, it is needless to observe, depends in the long run upon silver, which is affected by the supply and demand, and any changes brought about by silver in itself are gradual and slow. But Council bills depend not on any natural laws, but are merely the result of the exercise of the arbitrary authority of Government. These bills have during the last seven years increased from five to fourteen millions; and it is obvious that every increase in the amount must bring about sooner or later a corresponding reduction in the imports or an increase in the exports of ordinary merchandise. By this means an ad-

justment is in due time effected, but it is unreasonable to suppose that the amount of the Council bills can be increased, and that exchange can at the same time, until the adjustment has taken place, be supported. Nor should the important fact ever for a moment be overlooked that an artificial support to exchange is no real benefit to the Government or to the country;—exchange is improved and kept up for the time, but the result of this is to give an unnatural stimulus to the import trade, and when the artificial support is withdrawn, the fall which follows is all the more certain and severe.

The Chamber observes that the Government of India considered it necessary that the requisite statutory powers should be obtained before any fixed and certain policy could be adopted with respect to the operations for the year in loans and bills. As Parliament is now sitting, and has been since February, and the adoption of this policy is of enormous importance to the country, the Chamber desires respectfully to express the hope that the borrowing powers will be applied for without any delay, and that, as soon as these are obtained, His Excellency the Governor General in Council will announce the amount of the loan which he intends raising in India and the amount in England, and with regard to Council bills that he will fix the amount to be drawn weekly during the year and will adhere to it rigidly without allowing it to be affected by any fluctuations in rates.

The Chamber would respectfully urge that it would tend in a very material degree to facilitate the interests of the trade of the country, and therefore be of benefit to the State could the loan policy be definitely announced in each Budget. The greatest uneasiness and uncertainty

were created last year by the announcement of the Secretary of State on the 12th of April that a loan of four millions sterling would be raised in England only a few days after a totally different intention was announced in this country, and again this year the same feelings have been raised in an even greater degree by the uncertainty which overhangs the future—an uncertainty which the Chamber submits, and it does so most respectfully, might be done away with were consideration given to the matter beforehand and a decision arrived at, subject only to the confirmation of Parliament and the obtaining of such statutory powers as might be necessary.

No. 686.

From Govt. of India to Bombay Chamber.

Simla, 17th May 1877.

I am directed by His Excellency the Viceroy and Governor General in Council to acknowledge the receipt of your letter dated the 2nd May, in which you complain of the uncertainty of the announcements made in the Financial Statement concerning the loan and remittance operations of the current year, and criticise the proceedings of Her Majesty's Secretary of State for India in Council in the sale of his bills upon India.

2. In reply, I am to say that your representations will be forwarded for the consideration of the Most Hon'ble the Secretary of State.

No. 136.

From Govt. of India to the Secretary of State.

Simla, 17th May 1877.

We have the honor to forward, for the consideration of Her Majesty's Government, copy of a letter from the Secretary to the Bombay Chamber of Commerce, representing the inconvenience which must result to those engaged in commerce from the uncertainty of the announcements made in the Hon'ble Sir John Strachey's Financial Statement concerning our loan operations in 1877-78, and the arrangements for the supply of funds to our Home Treasury.

2. We add copy of the reply which we have caused to be addressed to the Chamber.

No. 230. (Finl.)

From the Secretary of State to the Govt. of India.

India Office, London, 5th July 1877.

Para. 1. I have considered in Council your Financial letter, dated the 17th May 1877, No. 136, forwarding copy of a letter from the Secretary to the Bombay Chamber of Commerce, relative to the indefinite and uncertain character of the announcement made in the Financial Statement of the 15th March last, with respect to the loan operations, and to the Secretary of State's bills on the Government of India which will be sold in London during the year.

The Chamber of Commerce represent the "extreme

importance to the numerous interests engaged in banking and commerce that the calculations upon which their transactions are based should not be subject to be at any time upset by a change, or suspension, of the amount" of Council bills on India "to be offered for sale," and they therefore express a hope that an application will be made to Parliament, without delay, for the requisite borrowing powers; that as soon as these are obtained, the amount of the loan to be raised in England and India respectively, and the amount of Council bills to be drawn weekly during the year, will be announced, and that the amount so announced will be adhered to "rigidly," and not be allowed "to be affected by any fluctuations in rates."

3. At the commencement of each official year, the estimate of the financial requirements for that year is based on the information then in the possession of the Government, and we have had recent experience that any notification as to the intentions of the Government is liable to be regarded by the mercantile community as, to some extent, an engagement to which Government is expected to adhere.

4. It would therefore be most inexpedient to make any definite statement of the intentions of the Government, and in that respect the announcement in the recent Budget is fully as explicit as could, with propriety, be made. It must be apparent that circumstances may arise at any moment to modify the expectations entertained, and too much care cannot be taken to reserve to Government complete freedom of action on all points.

5. Whilst, therefore, I am at all times desirous of

affording the mercantile community as much information respecting the amount of Council bills to be drawn during the year, and as regards other financial arrangements, as may be possible without detriment to the public interests, I cannot commit myself to any definite engagement in that respect, and you will be good enough to inform the Bombay Chamber of Commerce accordingly.

HOOGHLY BRIDGE TOLL ON COAL.

It is a great satisfaction to the Committee to be able to record the successful issue of their representations to Government regarding the levy of a bridge toll on coal brought down by the East Indian Railway to its terminus at Howrah : and the discontinuance of the charge, except on the quantity actually passing over the Floating Bridge, removes a burden from the coal trade which the Committee have long endeavoured to persuade the Government was injuriously affecting the interests of that branch of commercial industry.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 28th August 1877.

In continuation of the letter addressed to you on the 22nd instant, I am desired by the Committee of the Chamber of Commerce to state that the terminal charge levied by the East Indian Railway Company on coal on account of the Hooghly Bridge is the second question upon which they would respectfully claim the Lieutenant-Governor's attention.

They have already addressed His Honor in letters dated the 6th March and 12th April,—in continuation of correspondence with the Government of Bengal: and upon the grounds set forth in those several communications they are content to rest their case for a total abolition of a charge, which, they submit, should never have been imposed on the coal trade of these Provinces.

The Committee therefore will not reiterate the objections so repeatedly urged against a burden which that industry has been compelled to bear, nor repeat the arguments for its removal; but they consider it their duty to enter their protest against the arrangement detailed in the 133rd paragraph of the Port Commissioners' Report.

Notwithstanding the recorded opinions of the Commissioners that the terminal charge on coal can be abolished without injuriously affecting the adequacy of the revenue to meet the necessary charges for interest on the capital borrowed, for a sinking fund for annual reduction of such capital, and for the efficient maintenance of the bridge, a further provision has been lately considered necessary for the protection of the interests of Government; and to supply that provision the creation of a special reserve has been suggested—over and above what the Commissioners consider a sufficiently safe surplus for ordinary contingencies—which in the course of 30 years should amount to 20 lacs of rupees, nearly equal to the original cost of the bridge.

To meet the annual instalment required for that special purpose the Commissioners are of opinion that half of the toll now levied on coal—to which they re-

commend the tax should be reduced—will be enough; but they at the same time declare that the reserve fund can be provided from that terminal charge only, until the general traffic has so far improved and increased as to justify the reduction of that half rate or its total abolition.

While the Committee fully appreciate the Commissioners' recommendations as originally made and subsequently amended—under pressure of the reference by Government—para 130 of Report—they are of opinion that the establishment of a Special Reserve Fund for accumulating an amount equal to the cost of constructing another bridge to replace the present structure, after it has answered its purpose during the 30 years assigned for its serviceable condition, is not covered by any provision contained in Act IX of 1871.

The declared *purposes* of the Act are to construct and maintain a bridge across the river Hooghly as well as the necessary ways and approaches thereto; and the *obligations* are to repay, by 30 annual instalments, the funds advanced by the State, to pay the interest accruing on the half-yearly balances of the principal sum so advanced, to maintain the bridge and approaches, out of the income derived from the tolls, fees, and charges authorised to be levied and made for the purposes of the Act, and to apply the surplus income, or so much thereof as the Commissioners may think fit, towards the formation of a Reserve Fund.

Now the Commissioners have stated that the income derived from the tolls, &c., not only more than covers the aggregate expenditure on all these heads, but leaves a

considerable surplus to meet contingencies, or, in other words, to form a reserve for possible casualties; and have, on these grounds, recommended the abolition of the toll as an unnecessary source of income.

But as soon as the bridge is found to be self-supporting without that aid, and the incidence of the tax proved beyond question to be a charge which may, with justice, be removed, the prospect of early release of the coal trade from that burden is clouded by the interposition of the Government of India; and the expression of their concern in the permanent safety of the bridge and of the funds with which it was built, has led to a proposal which may perpetuate the grievous oppression with which the coal trade has been encumbered.

The practical result would be that present promoters of traffic and those carrying it on in the intervening period will have to pay not only the entire cost of the bridge and its maintenance for 30 years, but also to contribute to a fund equal to the first cost of the bridge for the benefit of a future generation.

The 119th para: of the Port Commissioners' Report gives an interesting analysis of the incidence of the bridge tolls recovered on a variety of produce, *and coal stands at the head of the list of contributories,* but the analysis would have been more complete if the *approximate values of the enumerated and unenumerated commodities had been given* in addition to the *weight* on which the tolls were levied, as that would have shewn how unfairly the low priced and high priced articles had paid an indiscriminately applied tax, and how immeasurably out of proportion to their values were the contributions recovered from each respectively.

With these remarks and the renewed expression of their hope that the Lieut-Governor will exercise his prerogative by abolishing a tax so uncompromisingly condemned by the Coal Trade of Bengal, the Committee of the Chamber of Commerce leave the matter in His Honor's hands.

From Govt. of Bengal to Chamber of Commerce,

12*th November* 1877.

With reference to your letter dated the 28th August last, to the address of the Officiating Secretary to the Government of Bengal, which has been transferred* by the General Department of this Government to this office for disposal, I am directed to state that the levy of fees on coal which does not cross the Hooghly Bridge has been discontinued from the 1st instant, as intimated in the communications from this office Nos. 662C and 701C dated respectively the 30th ultimo and the 9th current.

* With memo. No. 2627 dated 10th September 1877.

No. 661C.

From Govt. of Bengal to Bridge Commissioners.

30*th October* 1877.

In continuation of paragraph 2 of the letter No. 642C. dated the 24th instant from this office, and in accordance with paragraphs 3 and 4 thereof, I am directed to request that the Commissioners will commence levying fees at their toll bar at the Howrah end of the bridge on all coal which may pass the toll-bar from the 1st proximo.

No. 662C.

Copy of this letter and extract paragraph 2 from the letter quoted therein forwarded to the Bengal Chamber of Commerce for information, with reference to the correspondence ending with the letter from this office No. 207C. dated the 21st April last.

Extract from a letter from G. A. D. Anley, C. E., Assistant Secretary to the Government of Bengal in the Public Works Department, to the Chairman, Bridge Commissioners,—(No. 642C., dated the 24th October 1877.)

PARA. 2.—Under the authority conveyed to him in Sections 4 and 5 of Act IX of 1871 (B. L. C.) and in accordance with Notification of this Department No. 28 dated 26th January 1875, the Lieutenant-Governor requests that the Commissioners will levy at their toll bar at the Howrah end of the bridge on all coal which may pass the toll bar, the fee of 1 rupee per 100 maunds leviable under Section 4 of the above Act, and paragraph 3 of the Notification of this Department No. 467 of the 28th December 1874.

From Govt. of Bengal to Bridge Commissioners.

9th November 1877.

In reply to the Vice-Chairman's letter No. 2884 dated the 31st ultimo, I am directed to request that the words which occur in para: 2 of the letter from this office No. 642C., dated the 24th idem, "may pass the toll bar" may be altered to the words "may pass over the bridge,"

and also that a similar correction may be made in the letter No. 661C., dated the 30th of the same month from this office.

No. 701C.

Copy of the above forwarded to the Bengal Chamber of Commerce for information and guidance, with reference to the communication from this office No. 662C., dated the 30th ultimo.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 28th November 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 712 of the 12th instant, intimating that the levy of fees on coal which does not pass over the Hooghly Bridge has been discontinued from the 1st instant.

The Committee receive this announcement with great satisfaction, and are glad to learn that the coal traffic—except such portion of it as passes over the bridge—has at length been released from the payment of a tax which the Chamber has strenuously opposed, and the removal of which it has been their frequent duty to press upon the consideration of Government.

Their object having been obtained, the Committee desire to express their appreciation of the result of that consideration and of the relief which has been given to the coal trade of Bengal.

COOLIE STRIKE: MUNICIPAL TAXATION.

It will be in the recollection of members that the shipping business of the port was seriously inconvenienced last April by a strike among the coolies employed in loading and discharging vessels, occasioned by the Municipality insisting on what are called *cooly sirdars* taking out licenses as *cooly suppliers* and paying a tax of 12 rupees per annum.

The Chairman of the Corporation addressed the Chamber on the subject, which resulted in the lengthened correspondence here recorded.

The Committee lost no time in bringing the matter to the notice of members, and from the replies to their reference they were in a position to inform the Corporation that there was a unanimous opinion expressed in direct conflict with the interpretation which the Chairman placed on the term *cooly suppliers, viz.* that *stevedores* and not *cooly sirdars* were the persons who should be required to take out licenses as suppliers of cooly labor, they alone being the parties who engaged such labor; and the Committee, therefore, strongly deprecated the compulsory licensing of *sirdars*, who merely supervised the work on which the coolies supplied by the stevedores were engaged.

As the Municipal Act contained no definition

of the term *cooly supplier,* and as the Corporation and the Chamber were at issue on the point, the Committee took the opinion of Counsel on a case submitted by their solicitors, which they regarded as confirming thier own view of the matter : and they subsequently submitted the whole correspondence to the Government of Bengal for an authoritative definition of the term, in connection with the License Bill now under consideration by the Council of the Lieut-Governor.

Municipal Corporation to Chamber of Commerce.

Calcutta, 2nd May 1877.

I am desired by the Chairman of the Municipal Corporation of Calcutta to call the attention of the Chamber of Commerce to the strike among the coolies, who are employed in the lading and unlading of ships in the Port of Calcutta, which occurred on the 30th ultimo, and to the circumstances which led to this combination on the part of the workmen.

2. Under schedule 3 class 4 of the Municipal Act, coolie suppliers are required by law to take out a license of twelve rupees per annum. The Act came into force in July 1876. In November last the Municipality applied for summonses against several of the principal cooly Sirdars : the case from time to time was remanded. On Friday last the Magistrate, Baboo Omesh Chunder Dutt, decided that the Sirdar coolies were, under the Act, required to be licensed. A nominal fine of one rupee was inflicted, and the convicted parties required to take out a license for six months.

3. Since the first case was instituted in November, various and adverse opinions have been expressed as to how far the stevedores are practically the suppliers of coolies. On the one part it is contended that the stevedore is the person whom the Shipping Agents employ for the unlading and lading of their ships, and therefore that, as they supply the labor, they are virtually the class intended to be licensed. On the other hand it is argued (this is the contention of the License Department of the Municipality) that the stevedore is simply the executive of the Shipping Agent, who, as soon as he receives orders to clear or load a ship, goes down into the cooly market and hires gangs each under its own recognised Sirdar, and that without the production by the Sirdar of the coolies labor would not be available. The argument that the Sirdars are really the cooly suppliers appears to have been strengthened by what occurred.

4. The Chamber are aware of the result of the combination amongst these Sirdars, and of their threats to leave the Port should the provisions of the Law be enforced against them.

5. The matter is one of so much importance that the Chamber will doubtless take such steps in this matter as to prevent another suspension of labor and the inconvenience and loss arising from such a strike.

6. The Municipality are desirous to enforce their legitimate demands in such a manner as to inflict the least inconvenience on the commerce of this Port and City.

7. I am desired to make the following suggestions for the consideration of the Chamber.

(*a.*)—That the stevedores, by an arrangement amongst themselves, should recogonize and employ only a certain number of Sirdars whose names should be formally registered in this office; that the number must not be a fictitious number, but strictly in accordance with the requirements of the shipping.

(*b.*)—That the stevedores should pay for the licenses for these men, making their own arrangements either with the Sirdars or with the shipping in the Port. Omitting the Sirdar coolies working outside the Port, the fees claimed by the Municipality would probably fall below Rs. 5,000, an insignificant sum when compared with the loss sustained by a strike.

8. If the stevedores will appoint one of their number as agent or representative, the Municipality will take whatever legal action is necessary through such agent or representative.

Chamber of Commerce to Corporation of Calcutta.

Calcutta, 21st June 1877.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letters of the 2nd May and 7th instant, and to state in reply that immediately your first communication reached them they had it printed and circulated among members of the Chamber for their opinions on the general subject of the strike among the ghât coolies, as well as on the suggestions submitted by the Chairman of the Corporation.

Arrangements had also been made for a conference at this office with the stevedores and coolie sirdars, but as

the coolies had gone back to their work no meeting took place.

There has been unavoidable delay in answering your letter, and the Committee regret it has not been in their power to send an earlier reply.

Upon the question whether sirdar coolies should be held to be suppliers of labor, in the sense of the Chairman's reading, the opinions that have reached the Committee are unanimous in considering that the term "coolie suppliers," employed in Schedule 3 class 4 of the Municipal Act, does not apply, and was never intended to apply, to coolie sirdars; that such men are not, properly speaking, coolie suppliers; that the coolies engaged in the shipping business are—as a rule—in the employment and pay of the stevedores, who alone should be required to take out licenses.

These stevedores, as the Committee have been informed, have large gangs of men in their employ, but their sirdars only superintend the work of those gangs, and a given sirdar does not always superintend the same gang but is sent to whichever gang his employer chooses; and if the amount of labor to be performed requires additional hands, the stevedores hire men, always to be found at the various ghâts for employment, either themselves directly or through the sirdars—not through the sirdars of the new men employed.

If this be so, and the sirdar coolies are merely the servants of stevedores, it is obvious that they are not "coolie suppliers," and consequently not liable to the Municipal license tax.

If, however, there exists any class of men who undertake sub-contracts from stevedores, or who may, independently of the stevedores, have labor gangs under them, and out of whom they make a profit, of course they would rightly come under the application of the Municipal Act, and the Municipal officers would, it is presumed, have no difficulty in finding them out and dealing with them, for business of that kind cannot be carried on secretly and unknown to the authorities.

The Committee are of opinion that in the case of stevedores and others who are practically suppliers of coolie labor for the shipping there can be no question that the tax is rightly levied; but they strongly deprecate the compulsory licensing of sirdars as labor suppliers, since, in reality, they are only overlookers or supervisors of the work on which the hired gangs of coolies are engaged.

The Committee are of opinion that the Municipality has been mis-informed as to the mode in which coolie labor is hired, as expressed in the 3rd paragraph of your letter, and that men can be engaged in any number, without the intervention of any recognised sirdar, on ordinary daily hire and payment of wages at the rate of the day.

I am further to remark that the argument used in the same paragraph by the License Department of the Municipality that the stevedore is simply the executive of the shipping agent is unsound; for a simple contract for work to be done and labor supplied—the connexion ceasing when the contract is performed—does not seem sufficient to constitute a contractor the executive of the agent, in the sense used by the License Department.

The suggestions submitted in the 7th para. of your letter do not commend themselves to the judgment of the Chamber, inasmuch as they would encourage stevedores and others to establish a sort of Trade Union, which could easily be used to inaugurate strikes, compared with which the convenience lately experienced would be trivial; and it would be infinitely wiser that the Municipality should abandon a tax yielding so inconsiderably to their revenue than that its exaction should lead to the formation of combinations which could be readily turned against public convenience.

Municipal Corporation to Chamber of Commerce.

Calcutta, 20th August 1877.

I have the honor to acknowledge the receipt of your letter of the 21st ultimo, and am directed to express the disappointment which the Commissioners of the Corporation feel that, in a matter of so much importance to the commerce of this city, the Chamber have not seen their way to assist the Municipality in the realization of the license tax.

2. I am desired to recapitulate the circumstances which led to the strike among the coolies and to this correspondence, because in the event of a second strike, the Corporation may employ the argument that, in a matter of vital importance to the trade of this city, it appealed to the Chamber to employ its influence to secure the practical solution of the difficulty under which the Corporation at present lies, without any material assistance having been given.

3. The Municipal Act of 1876 requires that all trades

and professions should take out licenses; under the schedule of the Act, a coolie supplier is required to be licensed. Now although this Act came into force in July 1876, it was only in November last that proceedings were taken to have it legally determined what class of persons fell under that schedule. From November till April, the several cases, some twenty in number, were pending disposal, having several times been remanded for further evidence. When, however, the decision was given, it was immediately found to affect the commerce of the whole Port.

4. On the representations of the President of the Chamber, and of the several firms whose interests were affected, the License Department was instructed to take no further steps in realizing the tax, till the Chamber of Commerce had an opportunity of considering the subject. The realization of these licenses has been suspended, now for some weeks, in the expectation that the Chamber should either take legal steps to have the definition of coolie supplier, as laid down by the Magistrate, tested by the highest Court, and legally reversed, or that the Chamber should be pleased to exercise and use its great influence so that the coolie suppliers should take out the license in accordance with the law without any further danger to the interests of the Port.

5. In the 4th para. of your letter under reply, the question is however again re-opened, whether stevedores or sirdar coolie suppliers are the persons liable to take out the license, and a distinction has been drawn between the stevedore as the coolie supplier, and the coolie sirdar as the supervisor. As this matter has been decided by a competent Court, the Municipality have no alternative

but to accept that decision, and be guided by it. In the last para. of your letter a suggestion is made, that the tax should be abandoned by the Municipality, inasmuch as its realization would lead to the formation of combinations which could be readily turned against public convenience. The same argument might, with equal force, be applied to every other form of license. The class of persons whom this tax is intended to reach are, as a rule, residents beyond Municipal limits, and avoid all Municipal taxation, although they enjoy all the advantages for which the rate-payers have been heavily taxed. Both therefore as a matter of principle and as a matter of justice they are the class least entitled to exemption.

6. No stronger refutation of the assumption that stevedores are the real suppliers of labor can be offered, than the broad and patent fact that the stevedores were helpless to supply a single coolie till the sirdar coolies assented.

7. The Chamber have based their argument on the ground that the stevedores supply the shipping with coolies. But the Act has not this limited sense, and applies generally to whoever *de facto* is a supplier of labor ; if the practice of the Port is that coolies working on board the shipping, work only under recognised sirdars, these men would appear to fall under the legal definition.

Chamber of Commerce to Municipal Corporation.

Calcutta, 19th September 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2615 of the 20th of last month in reply to theirs of 21st June—

not *July*, as therein stated—and to inform you that they are unable to modify the views already expressed by them on the subject of the Municipal license tax applicable to suppliers of coolie labor for the shipping of the Port.

The Committee have carefully considered the arguments of the Municipality and are of opinion that the Chamber is not open to the reproach conveyed in your letter under reply.

Acting however on the suggestion that the Chamber should take steps with the view to have the definition of "coolie suppliers" legally tested, the Committee placed themselves in communication with their solicitors who were directed to prepare a case—on the correspondence between the Municipality and the Chamber—for counsel's opinion; and I am desired to place the result before you in the accompanying case submitted by Messrs. Sanderson & Co. and the opinion of one of the most able members of the Calcutta Bar.

The Committee notice that in the 2nd paragraph of his letter No. 2560 of 14th ultimo the Chairman refers to "a number of Native Firms engaged in shipping and unloading cargo, and again, in the 3rd paragraph, to the shipping agencies as a rule dealing only with the coolie sirdars; and they desire me to add that if the expression "shipping agencies" was intended to apply to consignees of vessels the Chairman has not rightly apprehended their position, because they employ stevedores only for their work and have no cognizance whatever of any subordinate agency by which that work may be performed.

Case and Opinion of Mr. G. H. P. Evans.

CASE.

There is sent herewith a letter dated 2nd May 1877 addressed by the Secretary to the Corporation of Calcutta to the Secretary to the Bengal Chamber of Commerce with reference to the person who is liable under Section 75 of Act IV of 1876 B. C. 3rd Schedule Class IV to pay the License tax of Rs. 12 as a cooly supplier. It appears that Baboo Omeschunder Dutt the Magistrate, before whom a cooly sirdar was charged with carrying on his business without a license, held that the cooly sirdar was the person who should be licensed. On the other hand the Chamber of Commerce, to whom the Chairman of the Municipality referred for assistance in preventing another strike amongst the coolies, consider that the stevedore is the person who hires the coolies and that the cooly sirdars are merely the servants of the stevedores.

The Chairman of the Municipality in his Secretary's letter to the Secretary to the Chamber of Commerce of the 20th August 1877 states.—"The realization of these Licen-"ses has been suspended now for some weeks in the expec-"tation that the Chamber should either take legal steps to "have the definition of cooly supplier as laid down by the "Magistrate tested by the highest Court and legally reversed, "or that the Chamber should be pleased to exercise and "use its great influence so that the cooly suppliers should "take out the license in accordance with the law without "any further danger to the interests of the Port."

The Chamber of Commerce are not an executive body and have no means of taking steps to prevent any further strikes, but they are desirous of being advised as to who

are and who are not the proper persons to take out a license as "cooly supplier" within the meaning of the Act.

Having regard to the views expressed by the Chamber in their letter of the 21st June last:

Counsel is requested to advise—

Whether cooly sirdars or stevedores come under the definition of cooly suppliers and who should take out the License and pay the tax.

OPINION.

This is purely a question of fact. No definition is given of a "cooly supplier."

If the Chamber of Commerce are right in their facts there can be no doubt they are right in their law.

A gang of coolies may have a headman to negotiate for them without his being a cooly supplier in any proper sense of the word.

On the statement made by the Chamber of Commerce the stevedore is clearly in ordinary cases the cooly supplier. The suggestion of Mr. Metcalfe that the stevedores should take out licenses for the number of sirdars they employ practically admits that the stevedores are the real suppliers.

G. H. P. EVANS.

Municipal Corporation to Chamber of Commerce.

Calcutta, 14th August 1877.

I have made careful enquiry into the different causes

which are inducing the Harbour coolies in Calcutta to demand very high rates for labor, and to strike work if their demands are not complied with.

2. The subject is one of great importance to the trade of the Port, and one worthy of careful investigation. I find that there are about 60 Native Firms engaged in shipping and unloading cargo; the managers call themselves Sirdar coolies, and they employ mate coolies who act as gang-overseers, keep the daily accounts of work done, arrange for carts, receive directions, and supervise the actual working of the coolie. I understand that of this latter class there are about 300 men.

3. The shipping agencies as a rule deal only with the Sirdars, a list of some of whom is appended, and a list of the remainder will follow. These men receive the shipping orders and carry on, so they allege, a running account with the firms for whom they work on the one hand, and on the other with the coolies and carts that they employ. They arrange the sub-contracts for loading the carts at the godowns and conveying goods to the cargo boats or Jetties, and a second sub-contract for conveying the goods to the ship; also they hold themselves responsible for loss of and damage to cargo.

4. I have conferred with some of the leading Sirdars, and learn from their statements that they have, as a rule, acted as Mahajans to the labouring coolies, keeping a running account with them; and that as the price of grain has risen very high within the year, the coolies have not been able to clear off their accounts readily; that consequently the Sirdars have been disinclined to advance money, believing that they will not be repaid; that the coolies on this have refused to work, unless

the rates were raised sufficiently high to enable them to afford the same amount of food they have been accustomed to and to balance their accounts with their Sirdars.

5. Similarly the carters have gradually increased their demands to double the previous rates. Several of the Sirdars allege that they have lost large sums of money, and others have closed business altogether. The causes then alleged for the present strike are:

(a). That the shipping houses have not settled the question of rates with the Sirdars, and therefore the Sirdars are declining business.

(b). That the carters demand double rates, and the Police prohibit them from lading more than 20 maunds on a cart, rendering double trips necessary.

(c). That the coolies are paid for loading carts and boats per 100 bags, but that the increased weight of bags necessitates the labor of two men, that in a day's work the gang carry less, and therefore receive less.

(d). That in consequence of the failure of some of the Sirdar coolie gangs have become disorganised. Luteef Sirdar of Sealdah assures me that he has lost this year 7,000 rupees, being money paid to coolies which he does not expect to recover from Agents.

6. There is a difference of opinion as to whether with a fall in the price of grain there will be a simultaneous fall in the price of labor. In the Famine Districts of Behar, the prices of labor after the famine was not materially affected by the high rates prevailing in 1874, but in Calcutta, I believe, it will be otherwise.

There is undoubtedly a combination among the coolies, and more especially among the carters, to establish a permanent rise. The price of labor has already risen 37½ per cent. in Calcutta in the course of a few months. I understand that one of the causes of the increased rate for carts is due to the illegal action of Messrs. Bird and Co.'s coolies at Howrah, who, I am assured, refuse to load a cart unless they receive 10 pice per cart from the carters. I believe that the present combination among the coolies will be partly broken by the importation of fresh men and carts, but it is doubtful whether the cost of the experiment would render it worth while to do so, if only as a temporary arrangement.

7. My experience of the character of the labouring classes in India is, that having once taken up a position they will not recede from it unless urged to do so by their own leaders. Now in the present instance, the Sirdars have no inducement to keep down rates; they are in fact powerless, whereas the coolies and carters can dictate their own terms.

8. The remedy seems to me to be, that the Port Commissioners should undertake the duty of conveying cargo from the shore to the ships, should have a monopoly in cargo boats, and of the lifting and carrying, exactly as they have in the construction of jetties. In the Port of London cargo is shipped by private Docking Companies direct from the wharves, but at other large commercial ports where there is a Port Trust the Port Authorities have a monopoly of the business of lading and unlading ships; and there seems no reason why the Port Commissioners of Calcutta should not undertake this duty as they do of shipping goods from their jetties. When public conveyances gene-

rally are limited as to their charges, there is no reason why cargo boats should be excluded from such a rule.

9. I see no difficulty in the importation of coolies into Calcutta, but I fail to see the practical good that will follow unless there is a regular organization. It would be necessary to rent a suitable site for lines, which might be erected near Cossipore where land is cheap, to erect sheds, to depute agents to the recruiting Districts, to make advances and despatch the men to Calcutta. It would be necessary also to have a central office and a staff of Supervisors. It seems to me that it would be difficult to get the Calcutta firms to consent to employ only the recruited coolies unless a system was thoroughly organised for the whole Port. The Port Commissioners are the body who could, and should, organise the system, and they have a parallel case in the practice at commercial Ports at home in favor of controlling cargo boats and coolies in the Port of Calcutta.

List of Coolie Sirdars.

Name of Sirdar Coolie.	Residence.	Where chiefly employed.
1. Khyro Sirdar ...	Diggiparrah ...	Petrocochino Brothers & Co., Agelasto & Co., and Toulmin & Co.
2. Azeem Sirdar ...	Diggiparrah ...	Hoare, Miller and Co., Schroder Smidt & Co.
3. Warris Sirdar ...	Diggiparrah	Ralli Mavrojani & Co., and Ede & Hobson.
4. Tuseerooddin Sirdar	Diggiparrah ...	Lyall, Rennie & Co., Andrew Yule & Co.
5. Jesseruddi Sirdar ...	Diggiparrah ...	Anderson, Wright & Co., Got, Bru & Co.
6. Shamsooddin Khan Sirdar	Narcoldangah ...	———
7. Torab Sirdar ...	Shaheb Bagaun ...	Gladstone, Wyllie & Co, Borradaile, Schiller & Co.
8. Ibrahim Sirdar ...	Leechoo Bagaun ...	
9. Matab Sirdar ...	Sealdah	
10. Neamuth Sirdar ...	Rajah Bagaun ...	———
11. Matab Chowdhurry Sirdar	Radhoo Mullick's Bagaun	———
12. Sonaoollah Sirdar ...	Nulpookur Gully ...	Nicol, Fleming & Co.
13. Nuzeeboollah Sirdar	Soortee Bagaun ...	Tamvaco & Co.
14. Jumeer Sirdar ...	Machooa Bazar ...	Ralli Brothers.
15. Khodabux Sirdar ...	Diggiparrah ...	Reinhold & Co.
16. Luteef Sirdar ...	Sealdah.	Jute contractors for Ralli Brothers,—since left them and working with Whitney Brothers, Wills Edmands, Begg Dunlop & Co., A. Losasso & Co., and E. L. Jones & Co.
„ Aftabooddin ...		
„ Molabooddin ...		

Chamber of Commerce to Corporation of Calcutta.

Calcutta, 20th August 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter of the 14th instant, and to request your acceptance of their cordial thanks for the interest you have taken in the matters therein discussed.

By their orders your letter has been printed and copies of it circulated to all the members of the Chamber, who will no doubt gladly consider your views on the important questions to which you have been so good as to give your attention.

Corporation of Calcutta to Chamber of Commerce.

26th September 1877.

Yesterday the 25th whilst on the jetties I was informed that the Sirdârs and coolies employed on board a ship had formed another combination and in order to enforce their demands had refused to work, alleging that their sirdars had been called upon to take out licenses.—I find as a matter of fact that 69 Sirdars have already taken out their licenses, and that there are some 150 Sirdars who have hitherto refused to do so. I find also that at least one stevedore who has constant employment in the Port offered to pay the license fees for his Sirdars, but the men rejected the offer on the grounds that they had never previously taken out a license, and would not do so—in other words they had hitherto not been subject to taxation and would not submit to a tax in any shape. Later on the day I held a conference both with stevedores and Sirdars—the result was that whilst the steve-

dores attributed the strike to the licenses, the Sirdars attributed it partly to the demand for increased wages, and partly to the circumstance that they were required to take out the license for the whole year whereas they worked perhaps only for 6 months. With a view to modify any hardship in the latter case a printed circular was issued yesterday to explain to all Sirdars that they would be allowed to pay in the amount in instalments if it would be convenient to them to do so. This morning I have conversed with a great number of the coolies. I find the Sirdars absent and the coolies quite willing to work provided they secured a higher rate of wages. I would take this opportunity of urging upon the Chamner the advisability of impressing upon stevedores the necessity of employing a certain number of recognised Sirdars. Another suggestion I have to make is that the sevedores should pay the Sirdars at a monthly rate a fixed sum per diem so long as the men are employed by them. This has been done by the Port Commissioners with the happiest results. The carters a few days ago similarly expressed their intention to strike, and if on every action of this kind a license fee be suspended or foregone it will result in a considerable loss of revenue to the Municipality.

I beg you will kindly read this letter to the Chamber at their meeting, and urge upon them, as the lading of ships is the work of men who are experts and have had considerable experience and cannot ordinarily be performed by ordinary coolie labor, that there should be a definite system under which the work shall be carried out under recognised Sirdars and not be left to the haphazard chance of men deserting their work whenever they

allege that they have a grievance. If the coolie gangs were governed by men recognised and registered there would be a channel for expressing the grievances of the coolies, if they should have any, whereas in the present state of things at a given signal by unknown persons the workmen leave their work to the great inconvenience and loss of the shipping. I desire it to be distinctly understood that in calling upon Sirdars to take out licenses we make a distinction between the mere head of a gang of coolies hired in the streets and a Sirdar coolie who controls a number of men who work under his orders.

From Chamber of Commerce to Chairman of the Corporation of Calcutta.

Calcutta, 27th September 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter of yesterday's date regarding another combination among the ghât coolies to strike work, on the ground that their sirdars had been called upon to take ont licenses under the Municipal Act.

The Committee are duly sensible of the interest you have taken in this important matter: they fully appreciate your personal exertions to avert any inconvenient consequences to the trade and shipping of the Port, and desire me to express their obligations to you in that respect.

If they rightly apprehend the tenor of your letter the Committee are urged to press upon ship agents the expediency of making sirdars take out licenses as *cooly suppliers:* but it has already been represented that ship

agents have nothing to do with the sirdars, and that the supplier of labor, so far as the ship is concerned, is the stevedore; the ship, as employer, having no cognizance of the stevedore's arrangements with sirdars or coolies.

The Committee understand that the stevedores get their coolies through sirdars and pay them through the sirdars, but that this is merely a matter of convenience; and that the sirdars, receiving their own pay from the stevedores, pay the coolies the full amount paid for them by the stevedores, without any deduction, their own wages being also that to which they are entitled for seeing the coolies work done—in fact for acting as overseers.

The Act under which the license-tax is proposed to be levied is not clear as to who the supplier of coolies may be, or indeed that it applies at all to men who supply labor to ships; but the Committee would urge that if it does apply to the latter it can apply only to the stevedore, the party entrusted by the ship with the work to be done by laborers hired by him for that purpose.

The Committee are unable to abandon the position they have already taken up in this question, for they believe it to be the right one, and are not prepared to modify the opinion which has been already made known to you: they may be wrong in their view of the matter, but as there is a direct conflict of opinion on the point the Committee submit that, before any further action is taken by you that may lead to renewed strikes among the coolies, a reference may be made to the Government of Bengal, in order that an authoritative declaration be obtained as to the meaning of the term *coolie suppliers* employed in the Act.

The circumstance that apparently stevedores, as such—men who only supply coolies, and not dunnage or other stores to ships—as well as their sirdars have hitherto been exempt from payment of the tax now proposed to be levied from the latter, would indicate that the Act *was never intended to apply to either class*, but had reference only to suppliers of coolies for Tea Gardens, and of emigrants to Mauritius, the West Indies, &c.

The Act is not quite a new one, neither is the system of stevedoring and sirdaring of recent date. The Act no doubt was carefully noted by the Municipal authorities, who must at the time have known, if indeed they may not have partly suggested, its provisions; and as, when the Act came into force, stevedores and their sirdars were apparently deemed not to come within its scope, it seems strange they should now be called on to pay the tax. The intention of the Act would be better understood when it was passed than it can be now; and the tax having been so long in abeyance—the Act having been finally passed nearly 18 months ago—constitutes good ground for ascertaining from Government what is the right and true definition of the term *coolie suppliers*.

A labor strike is injurious at any time, but will be particularly so at this juncture when every resource of the Port is strained to the utmost, and when to get through the work involved by the famine it is essential that every possible assistance should be given to facilitate its despatch.

The Committee contend that the present is not the time to attempt to levy a hitherto unapplied tax; and even the probability that sheer pressure of work may

compel sirdars to pay it—they recovering it from stevedores and stevedores from their employers, directly or indirectly—does not justify an action on the part of the Municipality which, for a declared revenue of about Rs. 5,000 per annum, would assuredly entail a loss to the shipping which can hardly be estimated.

As already said the tax has remained so long in abeyance that, even if it were rightly leviable, it should be allowed to continue suspended until the consideration of its application can be taken up under less unfavorable circumstances than now exist, unattended by the very grave consequences which will certainly result from its enforced observance at the present time.

Port Commissioners' Jetty charges and appropriation of surplus revenue.

The Committee have endeavoured to obtain a reduction of the present scale of jetty charges levied by the Port Commissioners, but it will be seen that the Lieutenant-Governor is of opinion that the time has not yet come for such reduction.

The Committee pointed out that there was no necessity for maintaining so high a tariff of landing and shipping rates, and based their representation on the fact that, from the commencement of their operations, the Port Commissioners had annually appropriated a considerable portion of their net revenue to the extension of per-

manent works; that upwards of 18 lacs of rupees had been absorbed in that manner since the establishment of the Port Trust; and that to provide for permanent works of construction out of revenue was erroneous in principle, and practically burdened the trade of the port with an unnecessarily heavy addition to the charges incurred in conducting business.

The Committee adhere to the opinion already expressed that the cost of constructing jetty accommodation and all works in connection therewith should be met by *capital* and not *revenue*, and that the schedule of charges is far too high and capable of large reduction, which they hope to see introduced ere long.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 22nd August 1877.

In the Administration Report of the Port Commissioners for 1876-77 copies of which, and of the Lieutenant-Governor's Resolution thereon, you have been good enough to place at the Chamber's disposal, two subjects of special interest to the commercial public are referred to, and I am desired to submit the following representation regarding them.

The 1st subject—paragraphs 50 to 52—is the proposed reduction of the Commissioners' charges for landing and shipping goods at their jetties; the 2nd—paras. 128 to 134—is the railway terminal toll on coal.

In introducing the first subject the Committee of the Chamber are inclined to the belief that the Lieutenant-Governor would have hesitated to signify his concurrence in the opinion expressed by the Commissioners if their Report had embodied the Chamber's letter of 2nd April, which, though of subsequent date to that to which their Report extends, was received by them before it was compiled, and should have fairly been included so as to have placed the matter in its entirety before His Honor. They venture to assert that their reply fully combated the conclusion arrived at by the Commissioners, based on a report of their Sub-Committee; and as that material portion of the correspondence, or the substance of it at all events, was not given in the Report, I am instructed to reproduce it; as an annexure to this letter, for His Honor's information.

By a reference to that communication it will be observed that the Port Commissioners and the Committee of the Chamber are at variance on a point of considerable importance; the former having adopted a practice of charging to *revenue* account large portions of their receipts in order to provide, *pro tanto*, for cost of permanent works of construction; while the Committee contend that expenditure of that nature should be charged exclusively to *capital* account; and that if the Commissioners have been, and are, in a position to divert such considerable sums to the extension of their operations, it is quite clear that that tariff of charges has been and is very much higher than it should be, and capable of an appreciable amendment.

By their own admission—para 3 of Report—the Commissioners have spent *upwards of eighteen lacs of* NET

REVENUE *on new works since the establishment of the Port Trust;* or in other words the traffic over the jetties and wharves during the last 7 years has been overcharged to that extent, and importers and exporters of merchandise have been mulcted in an amount which, during that period, has enhanced the cost of their operations.

The necessity for the imposition of so high a tariff of rates does not exist: on the contrary, the Committee submit that the reasonable expectation of merchants that one of the primary objects of the Trust—*viz.*, reduction of charges at the jetties—has not only not been realised, but large sums of net revenue have been devoted to purposes to which *capital account alone* should have contributed the necessary funds, and the trade of the Port has suffered a loss to that extent, less the interest that would have been paid on the borrowed capital.

The plea advanced for maintaining the present scale of jetty charges is in the Committee's judgment essentially faulty and cannot be sustained; and the Committee are constrained to express their surprise at the Commissioners' proposal that their jetty service should be kept up at an unnecessarily high cost to merchants in order to cover any deficit, or provide against any disappointment, in connection with other sections of their works. They hold to the opinion that the cost of any contemplated improvement of the Port should be calculated on its own capacity to remunerate the capital expended on it, and not made dependent on the revenue derived from any other subdivision of the Trust, which, by a high scale of charges, may leave a margin to be appropriated to such new works as the Commissioners may desire to introduce.

If no reduction is to be made "*until the whole accounts of the port and port approaches shew a balance of receipts over expenditure,*" and surplus revenue is continuously spent on new works, then the prospect of relief is as distant as can well be imagined: and the Committee submit that the perpetuation of an unnecessarily high scale of charges is opposed to the original purpose for which the Port Commission was constituted.

The view which the Committee of the Chamber of Commerce take of the incidence of expenditure on capital or revenue is fully supported by the authoritative declaration of Her Majesty's Secretary of State to the Government of India in connection with the principle that should be strictly adhered to in railway administration: and if the interests of railway proprietors are so jealously guarded that 10, 000 rupees per annum is the maximum sum that can be charged to revenue *for minor works of construction, or in connection with repairs or additions to permanent works, or alterations, or temporary diversion in connection with repairs,* it appears to the Committee that the contributors to the revenue of the Port Trust should be protected in *their* interests, which are obviously affected by a schedule of charges which enable the Port Commissioners to devote to works of construction very large sums which are strictly chargeable to capital account only.

The Committee are prepared for the rejoinder that the mutual obligations of the Government and the Guaranteed Railway Companies are exceptional in their character and present no precedent for the course advocated by the Chamber; but they contend that there is an appropriate analogy between reduced contributions by merchants—

in the shape of charges—towards the maintenance of the Port Commission, and increased returns to railway proprietors obtained by reduced expenditure; and that in principle the position is identical and should be regarded in precisely the same light.

If the Commissioners have had so considerable a surplus at their disposal as to enable them therewith to expand the remunerating accommodation of their jetties, wharves, &c. instead of supplying from capital their requirements for those objects, the schedule of charges is manifestly far too high, and should be revised with the view to as large a reduction being made as the circumstances under notice may justify.

The Committee respectfully submit this subject for the consideration of the Lieutenant-Governor.

As it may be more convenient that their representation regarding the tax on coal should be sent in a separate communication, the Committee will address you shortly in that form instead of lengthening this letter.

From the Chamber to the Port Commissioners.

Calcutta, 2nd April 1877.

Under instruction from the Committee of the Chamber of Commerce I have to acknowledge the receipt of your letter No. 3494 of the 6th ultimo, giving cover to extract from the report of a Sub-Committee of the Port Commissioners appointed to consider the Budget Estimates for the year 1877-78 and other matters in connection therewith; and I am to express the Committee's disappointment at the result of their reference relative to

the reduction of charges levied by the Commissioners on goods landed at and shipped from their Jetties.

Laboring under the disadvantage of not having before them the Commissioners' estimates upon which the Sub-Committee formed their calculations and conclusions, the Committee are unable to scrutinise the figures or compare the facts and circumstances which influenced the Sub-Committee's declaration that it is not advisable to make any reduction in the jetty rates: they must therefore perforce accept the results arrived at by the Sub-Committee and adopted by the Commissioners.

While the Committee concede that the sum of 29,000 rupees is not more than a sufficiently safe balance to work to during the year, they are of opinion that the Commissioners would have held a surplus greatly exceeding any adequate margin if the estimated expenditure had not been enlarged by items which in the Committee's opinion can scarcely be held as legitimate charges to revenue; for they notice that, in addition to a sum set aside as *reserve*, provision is made for *renewal of block*, an item of expenditure which may at any time be of such extraordinary dimensions as to absorb all or a very large proportion of the Commissioners' income.

To that item—whether it be large or small—the Committee hold the same objection, on principle, as they do to the charge of upwards of 72,000 rupees appropriated to the extension of jetty heads and increase of accommodation for export cargo—works which strike the Committee as being of exactly the same character as the erection of an additional jetty, the cost of which is to be

covered by an addition to capital account. The Committee fail to see the slightest distinction between these works, and if the additional jetty is to be so provided for so ought the extension of an existing jetty and extra accommodation for cargo to be provided for, and not debited to revenue account.

With reference to the Sub-Committee's remarks as to the rates in force in London and Liverpool being higher than those levied here, the Committee are not in a position to question the accuracy of the comparison, but it is quite clear that if the Government of India had originally purposed to burden the Port Trust of Calcutta with the value of the land to be occupied by its operations, the Chamber of Commerce would never have advocated so costly a means for promoting the conveniences of the shipping and trade of this port.

But the Sub-Committee's comparison does not apply, for the Committee submit that the rates levied elsewhere are no argument for or justification of a high scale of charges in Calcutta; nor do their remarks hold good as to the rates now levied being no higher than the charges incurred before the jetties were constructed, for the chief object which merchants anticipated from the establishment of the Port Commission was a material reduction in those charges, and that object has all the appearance of being indefinitely postponed if the revenue of the Commission is to be continuously debited with expenditure of the nature to which the Committee take exception.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 24th October 1877.

Your letter dated the 22nd August 1877 having been

laid before the Lieutenant-Governor, I am directed to inform you that, while His Honor fully recognizes the necessity of maintaining a due distinction between those works which may properly be charged to revenue, and those of which the cost should be debited to capital account, he is inclined to think that the alleged variance of opinion between the Port Commissioners and the Committee of the Chamber does not so much affect the principles upon which this distinction should be maintained, as the application of those principles to particular items charged in the accounts. Mr. Eden agrees with the Chamber in thinking that a plea founded on the rates in force in London or Liverpool would not afford any justification of the maintenance of a needlessly high scale of charges in Calcutta; but the question whether the charges are needlessly high is the very point in issue, and it is not disposed of merely by showing that some part of the cost of permanent works of construction has been defrayed from revenue. It must be remembered that much of the work of the improvement of the port, which it is the duty of the Commissioners to carry out, is of a kind which cannot be directly remunerative; and the Lieutenant-Governor thinks that it would be undesirable, on the one hand, to fetter the action of the Commissioners in executing works of general utility to the trade of the port, though such works may not bring in an immediate money return; and, on the other hand, it appears reasonable that such works should be paid for from revenue, and not from capital. On the whole, the Lieutenant-Governor is of opinion that the time has not yet come for any general reduction of the present scale of jetty charges.

Insufficiency of Jetty Accommodation and Cargo-boats.

Certain remarks in the Chamber's Price Current of 10th May last as to the insufficient supply of cargo boats for the business requirements of the port, and as to the incomplete and inadequate arrangements of the Port Commissioners, having attracted the attention of Government, the Committee were called upon to substantiate a statement the accuracy of which was impugned by the Commissioners.

The Committee replied that the remarks referred to were justified by the official admission of the Commissioners themselves that, in order to meet the increasing wants of the port, they were enlarging their jetty accommodation, which was generally acknowledged to be insufficient for the requirements of the shipping; and as to the supply of cargo boats the Committee were of opinion that it was obviously inadequate, from the fact that the demand for them could not be met, while at the same time the rates for contract service and daily hire were enormously in excess of fair and reasonable charges.

From Port Commissioners to Chamber.

Calcutta, 21st June 1877.

I am directed to forward the accompanying copy of a

letter, No. 1648 of the 31st ultimo, received by the Commissioners from the Government of Bengal, with enclosures, on the subject of an alleged insufficiency of boats for the present shipping business of the Port. With reference to the extract from the Calcutta Chamber of Commerce Price Current dated 10th May 1877, I have to request the favor of your informing the Commissioners whether the extract was issued with the authority of the Committee of the Chamber, and, if so, that you will be good enough to favor the Commissioners with the grounds for making the statements underlined in the extract.

From Govt. of Bengal to Port Commissioners.

Calcutta, 31*st May* 1877.

I am directed to forward herewith copy of a letter No. 192 dated the 21st May 1877, and of its enclosure, from the Government of India, regarding an alleged insufficiency of boats for the present shipping business of the Port, and to request that the Lieutenant-Governor may be favored with any observations the Port Commissioners may wish to offer on the subject.

No. 192.

From Govt. of India to Government of Bengal.

Simla, 21*st May* 1877.

I am directed to forward herewith an extract from the Price Current of the Calcutta Chamber of Commerce of the 10th May 1877, regarding an alleged insufficiency of boats for the shipping business of the Port, and to enquire whether His Honor the Lieutenant-Governor can suggest any remedy for the evil complained of.

Extract from the Calcutta Chamber of Commerce Price Current, dated 10th May 1877.

* * * *

But even with receipt of their produce, exporters' troubles do not cease, for owing to the building of jetties by the Port Authorities, boat owners have contented themselves with merely keeping in repair such boats as they have, *and have ceased building new ones to replace those worn out or lost*, and as a result the present number of boats available is far below the requirements of the present shipping business of the Port, *while the Port Commissioners' arrangements are both incomplete and inadequate.* Shippers are being made to pay Rs. 50 or 60 a day for boat hire, and even at these figures are unable to secure sufficient for their requirements.

* * * *

From Chamber to the Port Commissioners.

Calcutta, 13th July 1877.

Your letter No. 1069 of the 21st ultimo was submitted for final consideration of the Committee of the Chamber of Commerce at their usual weekly meeting held yesterday, and I was directed to reply as follows.

Reversing the order of the points of your reference I am to state—

1st—that the remarks in the Chamber's Price Current of 10th May last regarding the incompleteness and inadequacy of the Port Commissioners' arrangements were based on the generally admitted fact that the available jetty accommodation was insufficient for the requirements of the shipping of Calcutta, and that the reply of the

Commisssioners of 11th May to the Chamber's letter of 28th April—"in order to meet the increased wants of the Port the Commissioners are extending the jetty accommodation south of No. 7 jetty"—is of itself undeniable confirmation of the statement in the circular.

The purpose of the Commissioners to increase the required accommodation fully justifies the declared inadequacy of their arrangements to meet the wants of the Port, and it necessarily follows that their arrangements were, to that extent, incomplete.

2nd—The insufficient supply of cargo boats, the exorbitant rates of hire for those that were available, and the helplessness of shippers to put any check upon the demands of boat proprietors, to which they were, by force of circumstances, compelled to submit, were matters of complaint to the Committee of the Chamber by whom they were submitted to the Commissioners in their letter of 28th April.

The diminution in the fleet of boats, the unwillingness of owners to increase their stock which had become much reduced, and the special causes to which they were attributed, were also brought to the Commissioners' notice; and when the article in the Price Current of 10th May was written there was no visible improvement.

The Committee are of opinion that the statement in the Chamber's circular was made on sufficiently reasonable grounds, and that the present contract rates—nearly double what they were last year—and rates of daily hire, which are enormously in excess of what they have been and should be, conclusively confirm its accuracy.

3rd—With these remarks in reply to the chief points raised in your letter, it is hardly necessary to state that the Committee entirely approve of the article in the Price Current; and that they are glad to find the attention of Government has thereby been drawn to the insufficient supply of boats for the present water-borne traffic of the Port, which however has no doubt been unexpectedly and rapidly increased by the requirements of the famine in Madras.

CARGO BOATS.

In a Circular dated 26th July last the Committee brought to the notice of members the exorbitant demands for boat hire, cartage, and cooly labor, with the view to measures being taken to control and regulate those charges; and to that end they purposed representing these matters to Government as soon as they were in possession of members' views on the subject.

But before these could be ascertained the subject was brought informally to the Lieut.-Governor's notice; the Committee's intended action was arrested in consequence, and they contented themselves by forwarding for His Honor's information copies of such remarks as had been submitted by members, and which are here recorded for reference.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 24th August 1877.

With reference to your letter of the 20th instant to the Board of Revenue, under instructions from the Hon'ble the Lieutenant-Governor, in consequence of a representation made to His Honor on the subject of the rates of hire demanded by owners of cargo boats, the Committee of the Chamber of Commerce desire me to forward a printed copy of a circular to members of the Chamber—issued on the 26th of last month, and re-issued on the 16th instant—and of their minutes on the subjects submitted for their opinions, as far as they have been recorded.

It was the Committee's purpose to take action in the matter as soon as they were in possession of the views entertained by the Chamber generally, to obtain which is always necessarily attended with much delay, and as the recent occasion has been no exception to the rule in this respect the Committee were obliged to suspend their intended representation to Government.

As however His Honor has had the opportunity of considering and of passing orders on the subject, the Committee apprehend that any further reference to it, beyond the submission of the papers herewith forwarded, is not now called for.

The Committee at the same time desire me to invite your attention to their last half-yearly Report, which, at pages 75 to 77, contains correspondence between them and the Port Commissioners relative to the subject which has recently had His Honor's special attention.

Circular.

Calcutta, 26th July 1877.

The Committee desire me to submit for your consideration a matter which demands your earnest attention, and they will be glad to be favored with any suggestions to enable them to arrive at some conclusion which may represent the views of the Chamber generally.

You are aware that the shipping business of the Port has of late been seriously embarrassed, and charged with most exorbitant demands for boat hire, cartage, and coolie labour; and in order that measures be taken with the view to proper control and regulations in these respects being authoritatively exercised and observed, the Committee will be glad to learn what course should, in your judgment, be adopted.

Minutes by Members.

16*th August* 1877.

We are surprised that our trade has been able to develope itself as it has done without those regulations which exist in every other civilized port of the world, and we consider that it is high time for taking energetic steps to put our shipping arrangements in order. That such has not been done long ago is a matter of surprise and regret. Large sums of money have been expended upon jetties, sheds, &c., with the view of cheapening port charges and the cost of shipping cargo, but the most important item —the cost of putting cargo on board the vessels—has been left unregulated, and now and then the commercial

community has been assailed by strikes amongst the labourers or by exactions on the part of a number of petty boat owners who think that they have the privilege of levying annually a "black mail" upon the trade of the country.

It is perhaps not generally known that, from time immemorial, we have been paying unwittingly a tax to the priesthood of the country.

Even in former years, when boat hire used to rule Rs. 5 to 6—highest 8 Rs.—per day, rates invariably rose before the Poojah holidays to Rs. 20 and sometimes 25 without any ostensible reason, beyond alleged pressure of work; in reality, however, the boat owners levied a contribution upon us for their "*Poojah expenses,*" and our money went into the pockets of those who in the name of religion are fleecing the native community. At the highest ordinary former charge of Rs. 8 per boat per day, the cost of putting cargo on board ship was about 1 rupee 4 annas per ton, the Poojah tax made it Rs. 4 per ton and generally lasted for 3 or 4 weeks; but boat hire having lately been raised to Rs. 70 per day, *the cost of shipping one ton of cargo now amounts to a little over* 10 *rupees,* while homeward-bound ships are glad to get Rs. 30 per ton.

The anomaly and absurdity of this state of things is so great that it needs no comment. To aggravate matters further the coolies have lately taken it into their heads that their services are not sufficiently remunerated. Up to a recent period, and for many years, we used to pay Rs. 4 per 100 bags for loading and carting, of which amount (according to distance) 1-4 to 2-8 went into the pocket of the carter, leaving 1-8 to 2-2 to the coolies, and

this meant a very handsome profit to the *coolie sirdars*, who probably did not pay more than Rs. 10 or 12 per month to the coolies. These people have now, by means of their recent strike, obtained an increase, and will in future, *till further notice*, charge Rs. 8 per 100 bags, of which 2-8 to 3-2 goes to the carters, leaving 4-14 to 5-8 per 100 bags to the coolies. This represents wages of 120 to 140 per month per head were the money evenly distributed, but the bulk goes into the pockets of a comparatively small number of *sirdars*. To show how we arrive at our calculation, we will mention that we have tested a gang of Oorya coolies (12 in number) whom we pay at the high rate of Re. 1 per day. These men handle daily about a thousand bags, which brings the cost of a hundred bags to about Re. 1-3; 5 Rs. per 100 therefore means over Rs. 4 per day wages; but as we said before the greater portion of this money no doubt goes into the pockets of a few ringleaders, who have moreover succeeded in *coercing* shippers to alter the weight of wheat bags from 2½ maunds to 2 maunds, although saltpetre and sugar bags weigh sometimes even more and have always been carried by these men without objection. Admitting that every labourer is worthy of his hire, and that fair rates are due to labourers of this class, it seems preposterous that a trade of more than 3 million tons should be made the subject of extortion on the part of a few dozen of greedy boat proprietors and an equal number of half-naked, uneducated, savages, and we think the majority, at all events, of the commercial community will agree with us that the time has come when this impudent robbery should be stopped. We feel sure that the merchants have but to lift up their voice to obtain redress and to put an end to these exac-

tions alike injurious to the interests of the *ship-owner*, the *shipper*, *producer* and the *country generally*, inasmuch as the competing power of India is diminished thereby as compared with other countries much nearer Europe, where all these charges are well regulated and reduced to a minimum by means of the most economical appliances.

The remedy we propose is as simple as it will prove efficacious :—'Boat hire, carting and coolie labour must be placed under Rules and Regulations, with a fixed tariff,' granting fair and equitable maximum charges to those who choose to perform the service of the trade of the Port. This is done in every other civilized part of the world, and if it has been found necessary to bring vehicles plying for hire on shore under certain rules and restrictions, the necessity of doing the same with our conveyances on the river is quite as imperative.

Our shipping wharves should be divided into sections, and let to different contractors who undertake to put the merchandize passing through their section or sections on board of the lighters at a fixed tariff, and the cargo boat owners should also be placed under a maximum tariff.

In order to do this the Supreme Government will have to extend the powers of the Port Commissioners by legislative enactment, and the latter can then fix upon a fair tariff in consultation with the commercial community, and thereby all future strikes and extortions will be set at rest.

We feel sure that it only requires unison and determination on the part of merchants to get arrangements put in force, which should have been carried out long ago,

and we cannot help wondering at our own indolence which has suffered us to drift into the present intolerable state, when it is impossible to tell from day to day what the cost may be of shipping cargo on the next day.

BORRADAILE, SCHILLER & Co.

The plan proposed by Messrs. Borradaile, Schiller & Co., is, we believe, the only feasible one. We see no reason why boats, vehicles, and coolies plying for hire for the conveyance of goods should not be under the control of a tariff just as much as hackney carriages. Until this is the case boat owners and others concerned will not fail to take advantage of the power they have in their hands.

NICOL, FLEMING & Co.

We think it would be most desirable to have a fixed tariff for the better regulation of boat hire, carting, and coolie hire, and we should be very glad to see the control placed in the hands of the Port Commissioners. But as, even with unanimity in this respect amongst the Members of the Chamber, some time must elapse before the sanction of Government could be obtained and the requisite enactments passed, we would suggest that the Commissioner of Police, meanwhile, be invited to co-operate with shippers and assist them in resisting the present extortionate demands made by coolies, by importing labour from the Mofussil. We are informed that it would be an easy matter to import an abundance of labour from the Patna district, and the temporary employment of Mofussil coolies to the exclusion of the town men would, we think, soon bring the latter to their senses.

ASHBURNER & Co.

27th July 1877.

We approve of Messrs Borradaile, Schiller and Co.'s proposals, but fear delay in getting Government to take any steps in the matter. As an alternative measure we think the Members of the Chamber should associate together in order to undertake their own loading and shipping. An association owning boats and carts, and employing coolies without the intervention of the present coolie sirdars, could pay a good salary to a superintendent, thereby securing proper management, pay interest at a reasonable rate on the capital required, and yet carry produce from godown to ship at rates much under what could ever be done under the present system.

ANDERSON, WRIGHT & Co.

27*th July* 1877.

Ticca gharries, palki bearers, and dinghi wallahs have all fixed tariffs. You are not obliged to use either gharries or palkies, for you can walk; nor need you with the bridge, use a dinghi. Still these have all been put under regulation. Our produce cannot walk, and yet the coolie and cart force of the Port are allowed to work their own will without any reference to the well being of the trading community. If one class above all others requires to be put under strong and coercive measures, it is that on which the commerce of our Port depends on its carriage to and from the shipping. It will be necessary to be provided with a reserve force, as suggested by Messrs. Ashburner and Co., in the event of a strike.

KETTLEWELL, BULLEN & Co.

We approve of the proposals and views of Messrs. Borradaile, Schiller and Co., and Messrs. Ashburner and Co.

28th July 1877.

p. p. RALLI & MAVROJANI.
G. G. RISO.
EWING & Co.
p. p. RALLI BROTHERS.
A. P. RALLI.
J. H. FERGUSSON & Co.
JOHN ELLIOTT & Co.
FINLAY MUIR & Co.

Rules and Regulations are very necessary.

JARDINE, SKINNER & Co.

We think that the remedy proposed by Messrs. Borradaile, Schiller and Co., for a crying evil must commend itself to all shippers ; but, as action requiring the sanction of Government must necessarily be delayed, we think the plan suggested by Messrs. Ashburner and Co., with regard to coolies (and if possible carts also) should receive immediate attention.

GRAHAM & Co.

In order that action in this matter may not be impeded through want of unanimity amongst the merchants of Calcutta, we declare ourselves in favor of the proposals made by Messrs. Borradaile, Schiller and Co., and Messrs. Ashburner and Co. though we doubt their practicability, because, even assuming that rates of boat hire can be controlled by legal enactment, it would be extremely difficult in times of pressure to enforce strict adherence to fixed rates, and, moreover, such an interference with

private enterprise, and the natural laws of supply and demand, might result in the withdrawal of cargo boats from the market altogether, when we should find our remedy far worse than our disease.

If a tariff was fixed now, it would, we imagine, be framed on a basis which we should find much too high two or three months hence, when the famine requirements are at an end ; and as it is always a matter of time and difficulty to get a "fixed tariff" reduced, we should probably in the long run find ourselves more out of pocket by legislation than the temporary pressure makes us at present. For these reasons we entertain the idea that it would be better to let matters right themselves ; this must come before very long, probably before any legislation could be put in force, as the improved prospects for next season make us hope that Government will soon have the famine well in hand ; and if the existing cargo boats contrive somehow to carry through the large regular trade of the Port as well as the famine exports, we ought surely to have an excess of boats by and by, when the latter come to an end, which excess should then enable us to revel in low rates of hire. Meantime while we must all acknowledge the admirable work hitherto done, and in progress, by the Port Commissioners, we might take the opportunity of again urging upon them the stringent necessity of expediting their landing and shipping arrangements as much as possible, so as to guard the mercantile community from a recurrence of the losses and difficulties under discussion.

Coolie Strikes.—These unfortunate ignorant people follow entirely the orders of their sirdars, who can

afford to look on quietly while the coolies are starving, and if Government could be induced to interfere and regulate the payment for their labour on an enquitable basis, much good would result. Messrs. Borradaile, Schiller & Co.'s proposal that the Port Commissioners should divide the port into sections, fix rates for carrying 2 and 2½ maund bags and sell by public auction the right of providing coolie labour for each section to responsible parties, with a penalty attached for infringement or non-performance of their undertakings, recommends itself as a remedy against these strikes in future.

Weight to be carried by Hackeries.—The coolies strike was no doubt initiated by the limitation of weight to be loaded on hackeries through Municipal authority. We advocate that the Chamber should once more move in this matter, and ask the Municipality to rescind their order, and leave this question in the hands of the Police and the "Society for Prevention of Cruelty to Animals." There are strong bullocks as well as weak ones, the former could drag 30 maunds with ease, while 20 maunds would be too much for the latter, so that a general limitation does not deal properly with the case, and indeed the *balance* of the load has more to do with over-taxing the bullocks than the actual weight. Unless legislation can be thoroughly effective, we think it is better left alone, and in this instance it inflicts serious losses and annoyance on the trading community.

F. W. HEILGERS & Co.

We concur entirely in the opinion expressed by Messrs. F. W. Heilgers and Co.

If action is to be taken at all, such a time must be

selected, and such arrangements made, as will admit of its being taken effectually as well as promptly.

Messrs. Ashburner's suggestion implies delay. It would be no easy matter to bring a few thousand coolies from the Mofussil, provide them with food and lodging, and, encumbered as they are with caste and country prejudices, train them to take efficiently the place of the men they are intended to supplant.

We do no think that in a time like the present, when every executive resource of the Port is taxed to the uttermost to enable it to grapple with its enormously and exceptionally increased business, it would be at all prudent to endeavour to effect a radical change in the present system, except in so far as it *can be enforced.* We believe that their own necessities would compel merchants to virtually subvert the most apparently salutary enactments the Chamber of Commerce might procure. The whole question seems to be governed by the law of supply and demand, and we fear that any legislative enactment passed would prove of little benefit at the moment. Even with European supervision it would be impossible to avoid the use of head men for the various gangs of coolies; *that* granted, we fear that, in times of pressure, it would be found that, while apparently working on fixed tariff rates, various indefinable collateral charges would expand uncomfortably. We are not in England but in India, and it seems perfectly impracticable for us to ignore what seems to be some of the most religiously cherished traditions of an essentially trading people, who claim the right, by whatever means, to obtain the most they can for their commodity, be it goods or labor. The above remarks apply largely to the

question of cargo boats. Any tariff fixed would be merely nominal and governed by the exigencies of the time, unless indeed it were seen fit to exclude natives from the privilege of boat proprietorship. Indeed we question the right to deprive boat proprietors of the common merchant right to make as much out of their investments as the market will admit of, a right of which the owners of the ships trading to England referred to by Messrs. Borradaile, Schiller and Co., would not, we are persuaded, hesitate to avail themselves. As Messrs. F. W. Heilgers and Co., suggest, we would strongly counsel the Chamber to leave the difficulty to be solved by natural laws. We may mention that the process *is* going on most unmistakeably, there being no fewer than 200 new cargo boats building at the present moment, and nearly all owned by natives.

SHAW, FINLAYSON & Co.

We think that cargo boats should be put under the control of the Port Commissioners, and that it should be left to them to frame regulations, tariff, &c.; for this purpose we think an immediate representation should be made to His Honor the Lieutenant Governor to propose a short Act of the Bengal Council. The question of coolie labour is one in which we do not think legislative interference desirable.

COLVIN, COWIE & Co.

We are strongly of opinion that the present high rate of boat hire is a mere temporary inconvenience.

The doubt as to what arrangements the Port authorities, under their almost unlimited powers, contemplated for the export business of the Port checked at one time

the ordinary building of boats, but this doubt has now been neutralised by the current rates of hire, rates which, if maintained for even a few months, will yield very satisfactory remuneration to boat owners, and consequently a very large fleet of boats is now in course of building, and we have no doubt that, even before the famine demand is over, boat hire will recede to very reasonable figures.

In addition to the effects of the Port Trustees' actions and powers, we are at the moment suffering from a very sudden expansion to our trade. In ordinary course the extra accommodation afforded by the Jetties, accommodation which we understand is being already increased, and will be further extended, would have no doubt been sufficient for our ordinary wants, but the pressure caused by the famine demand has been an unexpected strain upon our resources, and we should extremely regret to see a call for legislation follow this unusual strain, and especially at a time when so much excitement exists.

For our own part we are not believers in legislative restriction. We consider that already we are over-legislated for; indeed the strike of the coolies was, we think, directly caused by what was in our opinion a most unwarranted notification by the Commissioner of Police regarding the loading of bullock hackeries, and we should very much regret any further restriction to the freedom of the trade of the Port.

If boat owners can by legitimate means earn Rs. 60 or Rs. 70 per day for the hire of their boats, we see no reason why they should not do so; as well might Government be asked to order that a holder of rice should

not obtain more than Rs. 2 per maund for his rice, which shippers are more than willing to purchase for Rs. 3-8.

An easy remedy, we take it, is for shippers who have a regular business to purchase or contract for such a number of boats as will meet their ordinary requirements, and so render themselves independent of fluctuations of the market.

The coolie strike appears to us a more difficult question; as there, a different evil has to be dealt with, the evil namely pointed out by Messrs. F. W. Heilgers & Co., that the coolies are under the orders of a Sirdar—a man who apparently is not *so* readily amenable to the influence of the ordinary laws of supply and demand, but even here those laws would most certainly operate if the Sirdar carried his extortion beyond reasonable limits.

We cannot, looking at the almost famine price of rice, consider the late coolie strike as at all extraordinary, especially when it was led up to by the Police regulation referred to.

TURNER, MORRISON & Co.

7th August 1877.

Our views are briefly those expressed by Messrs. Colvin, Cowie & Co.

We think it extremely undesirable that the Port Commissioners should have the monopoly of the right to load and land cargo, but the cargo boats should be under their control only.

WHITNEY BROTHERS & Co.

17th August 1877.

We approve of Messrs. Borradaile, Schiller & Co.'s and Ashburner & Co.'s proposals.

GOT BRU & Co.
18*th August* 1877.

We do not consider that it is feasible to legislate upon the question of the rates to be paid for boat hire any more than for the rates of freight to be paid to steamers and sailing vessels, or the price to be paid for rice or other articles of produce and daily consumption. The whole thing simply resolves upon the ordinary question of supply and demand, and will no doubt right itself in due course. In exceptional times we must expect to pay exceptional rates, and it seems to us perfectly useless to think of fixing a definite rate for boat hire, unless merchants could obtain a guarantee that a sufficient quantity of boats would be supplied for all emergencies, and that each merchant's goods would be taken delivery of and shipped just when required, which guarantee we do not suppose the Government or the Port Commissioners would care to give. As regards the shipping business generally we have no doubt it would be very convenient to have the rates, as well as the facilities of shipment, arranged by some one else, but we really do not see how it can be done. Some large export houses have been in the habit for some years past of contracting for their yearly requirements of boats at an average rate and these provident houses have of course no cause of complaint now. As this course was open to every one it appears to us quite reasonable that those merchants who did not foresee the difficulty, and did not make timely arrangements, should now pay the price of the day. The present difficulty appears to us to be occa-

sioned chiefly by the extra requirements for the famine, and as we understand that a large fleet of boats is being built, is is quite likely that after the famine is over, the rates for boat hire may be lower than ever, and should a definite rate be fixed now, it is quite likely that merchants might be made to pay more than necessary.

As regards the question of coolie labor there is certainly great difficulty, as coolies follow so much the lead of their sirdars, and are not open to reason or argument themselves. In every country where trade and labor are free, strikes are more or less occasionally inevitable, and we do not think that they can be prevented by legal enactment. No doubt this difficulty will also right itself in due course, and in the meantime, while the cost of all articles of food are at such high rates, it is only natural that coolies should try in any way they can to get increased pay.

ROBERT & CHARRIOL.

18*th August* 1877.

We look upon the whole question as being one of supply and demand.

It would be obviously absurd to expect any shipowner to accept a low rate of freight when a dearth of shipping was in port with a large accumulation of products waiting. This view presents the right of the cargo boat owner to adapt his charges to the existing requirements, equally with the possession of the larger carrying vessel.

We consider the coolies, also, justified in seeking higher rates, as well from the present rush of business coming in their way as from the increased price they are compelled to pay for food. Some firms admit making hand-

some profits in meeting the famine wants. Why should the poor coolie be denied a share, where his services are so necessary ?

In introducing restrictions to the earning powers of those who have, for the time being, the advantage of the situation, we are acting unfairly and against the common rules of Commerce.

HOWE, GOODWIN & COLE.

22*nd August* 1877.

In reply to your Circular regarding cargo boats we have to state we do not consider this question calls in any way for Legislative interference; any disadvantage under which shippers and consignees labor at present can and should be remedied by themselves, or will be remedied by the ordinary course of trade, and we believe matters are fast righting themselves.

The demand for boats is a very fluctuating one, and when the demand is beyond the supply, it is only reasonable the boat owners should receive a higher return, just as owners of ships do when tonnage is scarce and cargo abundant, or owners of any commodity when the demand is brisk and supply small. During the past year rates have been exceptionally high, but the rates of one year, and more particularly of an exceptional year, do not form a basis for altogether changing the principle on which the boating of the harbour is done. Taking the returns of the Calcutta Landing and Shipping Company which over the past twelve years have averaged we believe 10⅔ per cent. per annum, we do not look on that as at all a high return from property that is not insurable and which is

so much exposed to risk of destruction; we are told also the property of the Company is intrinsically no more valuable now than it was twelve years ago.

That boat hire should have ruled high during the past year is not to be wondered at. The fleet of boats, more than equal to the ordinary working of the port, was unequal to the large accession of work caused by extreme pressure for shipping, brought about by the Madras famine; but when the pressure caused by the famine is over and trade returns to its normal state, we are sure boat hire will revert to rates even lower than those that ordinarily ruled before the famine began and to which, we believe, neither shippers nor consignees could object, although boat owners might complain. We say "lower," because the high rates ruling for boat hire over the past year has induced the building of many boats, and when the famine is over there will be a largely increased fleet and naturally more competition for boat work than before.

With reference to the proposal to fix a cargo boat tariff, we would ask, had a boat tariff been fixed in June 1876, when boat hire was low, would that tariff have been maintained in force during the past year during the pressure of the famine? We are quite sure it would not, but that, either by common consent or in unrecognized forms, the owners of boats would have received for their boats much more than the hire that would have been allowed under any tariff, indeed as much probably as they have been getting.

We know of no quarter in which cargo boat hire is fixed by tariff except on the Coromandel Coast and at Madras; as soon as the demand for cargo boats exceeded the supply of boats, the tariff rates ceased to be in any way regarded.

We would look on the fixing of a tariff for cargo boat hire as a decidedly retrograde movement, and one which, if strictly adhered to, would prove adverse to the interests of shippers and consignees, as we believe boat hire will be lower when trade returns to its ordinary level than under a tariff fixed by law.

The only feature in connection with boat hiring at present to which we object, is the fixing of the rates of hire bi-weekly, and that on each occasion for the three previous days, so that sometimes merchants are charged rates for boat hire which they would not have shipped under had they known what they would have to pay. Shippers should know what they will have to pay for a boat when they engage it, but surely the mercantile community of Calcutta can secure that without having recourse to the Legislature. We hold strongly for free trade in boat hiring, and hope no legislative action will be taken, but we hope at the same time the present arbitrary system of fixing the ghaut rate will soon be a thing of the past.

In the foregoing remarks we do not take up the boat owners' case at all, deeming that superfluous.

MACKINNON, MACKENZIE & Co.,
Managing Agents, British India
Steam Navigation Company.

Calcutta, 27th August 1877.

Calcutta, 25th August 1877.

The rates of hire both for cargo boats and for coolies seem to be regulated in great measure by the laws of demand and supply, and these laws almost invariably right

themselves with time; we should, however, gladly welcome any measures by which in the meantime the present extravagant rates could be reduced: but we doubt the expediency of a fixed tariff for cargo boats, as in times of pressure, like the present, when the tariff would be most necessary, there would be found ways of evading it, and the shipper who was determined to enforce the tariff would be the sufferer; moreover one result of such interference with the natural laws of demand and supply would be to check the building of the 200 to 300 boats that are now reported to be in course of construction. The inconvenience that these high and fluctuating rates cause to shippers is of course very great, but we doubt if any class has really *suffered* from them during the current year, unless it be that the starving inhabitants of Southern India have had to pay a few annas per bag more for their imported rice, and, in the same way, the cost of the famine to Government has perhaps been greater; the producer has certainly got unusually high prices whether for grain or seeds; the shipper has done a larger business than usual, presumably with a good profit; and if the supply of tonnage had not been so enormous, no doubt the high rates of freight that were ruling during the early part of the season would have continued throughout, and the shipowner too would have benefited from the increased business of the port; as it is, the owners of steamers have no cause for complaint.

With reference to the importation of coolies into Calcutta we should be glad if it could be carried into effect, but we doubt if it would be so easy a matter as some appear to think; coolies are not found willing to emigrate to the Colonies, it is daily becoming more

difficult to recruit them for the Tea Gardens, and it might even be difficult to import them into Calcutta, especially as the new comers would have to encounter intimidation from the old coolies. During one of the recent strikes the Oorya coolies, though willing to work, were prevented from doing so by the intimidation of the Mussulman coolies; and although coolies cannot be called skilled labourers yet a certain training is required to make them expert in their several branches of labor.

None of the proposed remedies appear to meet the need, and as business will probably resume its ordinary course early next year, we should not now advocate any interference either with boat owners or coolies.

EDE & HOBSON.

PILOT SERVICE.

The Committee were favored by the accompanying letter from the Government of Bengal regarding certain proposed alterations in the system of appointing pilots to outward bound vessels. The most important proposal was that applications for individual pilots should be discontinued and appointments made by the Marine authorities. The Committee invited the views of Members of the Chamber, and they are glad to be able to report that His Honor the Lieutenant-Governor has conceded the points asked for, and that with certain limitations, which can hardly be objected to, appointments are made on applications as before.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 28th August 1877.

I am directed to forward the enclosed copy of a resolution* on the subject of applications for pilots. By this system, as it has existed hitherto, commanders of vessels of all sizes can apply for any particular pilot to pilot their vessels down the river.

* No. 2521, dated 28th August 1877.

2. The Lieutenant-Governor has given the matter his full consideration, and, as he believes the system to be much abused, he has ordered the modifications noted in paragraph 5 of the resolution to be made in the rules which govern it.

3. Besides these restrictions, Mr. Eden is disposed to order the discontinuance of the privilege now allowed to pilots of returning from the Sandheads to take up ships, and to permit applications to be made only for men actually in the town of Calcutta, and not more than four days before the departure of the vessel. But before doing so he would wish to be favoured with an expression of the Chamber's opinion as to whether this limitation could reasonably be introduced.

RESOLUTION.

READ—

Paragraph 15 of the Resolution by the Government of Bengal in the General (Marine) Department, dated the 18th June 1868.

Paragraph 16 of the Resolution by the Government of Bengal in the General (Marine) Department, dated the 5th February 1873.

Paragraph 5 of the Resolution by the Government of Bengal in the General (Marine) Department, dated the 12th January 1874.

Paragraph 29 of the Resolution by the Government of Bengal in the General (Marine) Department, dated the 24th January 1876, regarding the system of applications for pilots.

Read also—

Letter from the Officiating Deputy Master Attendant in charge, No. 3476 of the 26th July 1877, on the same subject.

The system of applications by which commanders or agents of ships of all sizes enjoy the privilege of applying for any particular pilot to pilot their vessels has been considered by Government at different times.

2. In 1848 it was proposed, in consequence of the misbehaviour of some of the members of the service, to abolish the right of application, and to substitute for it a system of turns, except in the case of Branch Pilots and of applications made by commanders of ships for the pilots who had brought their vessels in. This restriction, however, was confined to vessels of less than 18 feet draught, and was withdrawn after a short trial, in consequence of the numerous complaints that were made by commanders and agents, as well as by pilots themselves.

3. The matter was again brought forward in each of the years 1867, 1873, and 1874, and, on the recommendations of the Committee appointed in 1867 to consider and report on the position and prospects of the Pilot Service, various modifications were introduced.

4. The rules which now govern the system are as follow :—

(1) Applications are only allowed to hold good for a limited number of days—seven for a Branch Pilot, and three for all other pilots; and any pilot for whom an application has been filed is not liable to be ordered off on station or other duty if there is a sufficient number of pilots on the list without applications who are available for duty.

(2) A pilot in town for whom an application has been filed is bound to wait till that ship is ready to start, and is not allowed to take away another vessel in the meantime and return to town for the first ship.

(3) A pilot is not allowed to return from the Sandheads as he pleases to take up an application which he knows will be made for him; but he is allowed so to return if there is the minimum number of pilots (which has been fixed at 15) outside, and if he actually has the application with him to show.

(4) If a pilot returns from the Sandheads on an application and finds that the vessel will not leave for some time, he is not allowed to take another ship down, but must either wait for that vessel or return to the Sandheads at his own expense. Again, if the vessel applying for him has sailed in his absence, he cannot take another down but must return to the Sandheads before he can put in another application.

(5) Applications are not allowed to be filed for any pilot within seven days of his filing a medical certificate or application for leave.

5. This matter was brought to the notice of the present Lieutenant-Governor in January 1877, but for want of time he was unable then to give it his full consideration.

From all Mr. Eden has heard, however, he has since come to the conclusion that the system of application involves many great abuses. It demoralizes the Pilot Service; it leads to a great deal of pressure being placed on the masters of vessels, and to every kind of irregularity; and it is also the indirect cause of the complaints, which are so common, of an insufficient supply of pilots at the Sandheads. But, while believing that the continuance of the system of applications is incompatible with the proper working of the service as now constituted, he considers that, as it has been allowed to go on for so long a time, it can hardly be abolished summarily without causing great discontent. His Honor can see no reason why pilots should be appointed to outward any more than to inward-bound vessels, and he anticipates that at some future time the privilege of assignment of pilots on application will have to be abolished absolutely. At present, however, he has decided to make the following modifications in the present system:—

(1) Mate pilots will in future be restricted to vessels of their own tonnage, but may be allowed (with the permission of the Master Attendant) to pilot down the river, on application, vessels above their own tonnage which they had pilotted up satisfactorily.

(2) Junior master pilots will be restricted to vessels of their own tonnage until they have been a year in the grade of junior master, except in the case of vessels they may have pilotted up, when applications will be allowed with the permission of the Master Attendant.

(3) Applications should not in future be signed by masters of vessels and filed by the pilots themselves, but should be sent direct to the Master Attendent by the agents, who, it is understood, will be able to state accurately the date of the departure of the vessel from the port.

(4) Branch pilots may be permitted to move vessels over 22 feet draught without the permission of the Master Attendant.

6. The Lieutenant-Governor has also had under his consideration the question of special pilots, which is connected with that of applications, and he sees no objection to the continuance of the present system, under which the so-called special pilots are really pilots allotted to special duty.

ORDER.—Ordered that a copy of this Resolution be forwarded to the Officiating Deputy Master Attendant for information.

By order of the Lieutenant-Governor of Bengal,

H. H. RISLEY,

Offg. Under-Secy. to the Govt. of Bengal.

COPY forwarded to the Officiating Deputy Master Attendant in charge for information.

By order of the Lieutenant-Governor of Bengal,

H. H. RISLEY,

Offg. Under-Secy. to the Govt. of Bengal.

From Chamber to Govt. of Bengal.

Calcutta, 31st October 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2522 of 28th August with Resolution of same date regarding the system under which the services of pilots are applied for by agents and masters of vessels; and to state in reply that the general opinion among those who have for many years enjoyed the privilege of selecting their own pilots is that it is inexpedient to introduce any modification of a long established and well understood practice of the Port, which has been found, on the whole, to work to the satisfaction of commanders of vessels, of their agents, and of the pilots themselves.

This confirms the view expressed in the Chamber's letter of 29th October 1873, in reply to a reference made by the Government of Bengal, when they said :—"*The Committee deprecate any alteration of the rule as to applications for pilots, for they consider that the representatives of owners of vessels should have a perfectly unfettered liberty of selecting the pilot in whom they have the greatest confidence; and the Committee concur in the views expressed on the point by His Honor the Lieutenant-Governor.*"

The opinion of Sir George Campbell was recorded in

the 16th paragraph of Resolution dated 5th February 1873, and for convenience of reference is here introduced :—

"*The fourth point is the alteration of the rules about applications. Paragraph* 15 *of Bengal Government's Resolution, dated* 18*th July* 1868, *contains the orders of this Government, on the suggestions made by the Committee of* 1867 *regarding 'applications' for pilots. One of the enclosures to the paper received from the Financial Department mentions that pilots bribe the masters of vessels to apply for them out of their turn; and the same paper appears to consider it would be better for the pilot service generally, if applications were abolished and every pilot took his turn on the class of vessels to which he was entitled. In this the Lieutenant-Governor can by no means concur. It must be remembered that the pilots and the pilot service exist for the good of the shipping and the river trade. Owners and agents would probably prefer the present system, under which they can apply for the services of those pilots in whom they have most confidence. The system, moreover, is a direct encouragement to pilots to do their work well, and to serve the shipping loyally and honestly. It is, moreover, a discouragement to idleness and irregularities of all kinds, for no master of a large vessel will apply for a pilot who has a character for carelessness or irregularity. The restrictions described in the Resolution of July* 1868 *prevent the application system from disorganising or impeding the work of the river. Therefore, the Lieutenant-Governor would not propose to alter the application system, though he will be ready to consider any representations which the Chamber of Commerce or the Master-Attendant may see fit to make upon the subject.*"

The conclusion arrived at by Sir George Campbell,

after a careful consideration of all the circumstances of the case, appears to the Committee to have been based on what the Lieutenant-Governor emphatically declared *the good of the shipping and the river trade*, and his reasons for adhering to the application system appeared to the Committee all-sufficient for the continuance of its freedom from any restrictions.

The Committee do not fail to observe the wide difference of opinion on this material question between the Lieutenant-Governor and his predecessor; and, although His Honor may attach less importance than Sir George Campell may have done to the peculiar conditions which influence the choice of pilots, they are inclined to regard the admitted advantages of the system as over-riding any minor inconveniences and objections that may be raised against it.

With reference to His Honor's remark that there can be no more reason why pilots should not be appointed to outward than to inward bound vessels, the Committee would state they believe the larger number of ship owners, whose vessels trade regularly with the port, would prefer their Captains should be allowed to select a pilot at the Sandheads did the circumstances of the position admit of such a system being introduced, but it is felt it would be impossible to organise a system of selection at sea. In connection with applications at Calcutta and the Sandheads, however, it may be remarked that there is a strong reason why applications should be allowed at Calcutta,—although not therefore at the Sandheads also, apart from the non-feasibility of admitting applications at the latter place. Many vessels arrive in Calcutta only partially loaded and with cargoes of compa-

ratively little value, such as coal and salt, but it is a rare exception and a clear indication of bad trade when a vessel leaves Calcutta without a full and valuable cargo, and without being loaded to the maximum limits now allowed by British Law. The fact of vessels arriving light in draft, with comparatively valueless cargoes and small freight lists, and leaving deep drafted, with rich cargoes and good freight lists, would in itself furnish an argument, *if value is to be considered,* in favor of owners or their Agents being allowed to select the pilots considered by them best qualified to conduct their vessels to sea in safety.

Whatever irregularities the system of application may involve—and the Committee are not aware of any existing, of serious moment at all events, since the reduction of the number of running pilots—the doing away with the system, it is believed, would bring back with full force the system of bonuses to pilots, which, in former years, was felt heavily by ships and which now fortunately exists but to a very trifling extent. The Committee believe this would result because the pilot, knowing he would get employment in his regular turn and in that only, would have no occasion to hurry either up or down the river, and as no inducement to use diligence could be held out in the shape of future employment, it doubtless would be in the shape of a bonus, as neither steamers nor ships can afford to loiter in the river, and that in the case of the latter more particularly when, as now, they have to pay daily hire for tugs towing them down.

The Committee believe the recent scarcity of pilots at the Sandheads, as well as the scarcity at Calcutta,

has arisen entirely from the pressure of work involved by the famine, and that, now that pressure is removed, if the number of running pilots is maintained on the last fixed scale—a scale they do not recommend should be exceeded—the recent complaints of want of pilots at both ends will not often, if at all, be renewed. The Committee are not aware whether the full minimum number of pilots have lately been running but they do not think it can have been exceeded : if the minimum number have not been running this would also help to explain the seeming scarcity of pilots.

Finally, as part of the application system, the Committee would advocate that the concession of pilots, who have been applied for, being allowed to return from the Sandheads should be continued. This concession they believe will not cause inconvenience at the Sandheads, so long as the rule, allowing such pilots to leave the brigs, *only when there is on board, besides them, the minimum number fixed by regulation,* is enforced. Indeed, the Committee believe if this concession is not allowed, it will not unfrequently happen that, to meet the requirements of outward bound vessels, Government will have to send a steamer to the Sandheads to bring up pilots.

A system that worked well before the famine pressure began should not, the Committee consider, be upset because it was unequal to cope with the very unusual and seldom to be looked for pressure of the late famine work, which work indeed upset all the ordinary arrangements and overtaxed all the powers of the port.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 19th November 1877.

In reply to your letter of the 31st October 1877, I am directed to inform you that, in deference to the representation of the Chamber of Commerce, the Lieutenant-Governor will not press the adoption of the restriction referred to in the third paragraph of Mr. Risley's letter No. 2522 of the 28th August, until the effect of the orders promulgated by the Government resolution of that date has been tested by some experience of their working.

2. I am to add, however, that Mr. Eden does not share the apprehension expressed by the Chamber, that a restriction of applications would tend to bring back the evils of the old system of paying bonuses of pilots. So long as pilots are working on the free list, their own interest will lead them to use all the diligence they can, whether they are applied for or not. The practice of giving bonuses appears to have arisen, not so much out of the principle of employing pilots in a fixed turn, as out of the practice of employing salaried pilots, who were paid the same, whether they did much or little work.

3. I am also to explain that the Committee of the Chamber are under a misapprehension in thinking that the discussion of this question has arisen out of the great recent demand for pilots consequent upon the pressure of the famine work. The question has been under consideration ever since the beginning of the year 1875, when various abuses, alleged to have arisen out of the working of the application system, were

brought to the notice of Government ; and the intention of Sir Richard Temple to introduce such reforms as were required was communicated to the Government of India in January 1876.

THE CONSOLIDATED CUSTOMS BILL.

This important matter has had the careful attention of your Committee, and with the assistance of members who were invited to act with them in revising the new bill they drew up a report which has been submitted to the Government of India in the following letter :—

To the Secretary to the Government of India, Legislative Department.

The Committee of the Chamber of Commerce desire me to submit for the consideration of the Select Committee of the Legislative Council of His Excellency the Governor General the following observations on the Bill to consolidate and amend the law relating to the levy of Sea Customs duties.

In the interpretation Section 3, clause *h*, the term "Master" includes "a ship's agent appointed in writing by the Master to be responsible on his behalf when such appointment is approved by the Customs Collector."

The Committee of the Chamber are of opinion that under this interpretation the liability and responsibility of a ship's agent may be held to cover much more than an agent would be inclined to incur, and that they should be limited to the proper performance of his duties in that capacity : they therefore propose that the section be amended thus :—*also a ship's*

agent, approved by the Customs Collector, in so far as his services are required for the transaction of a ship's business at the Custom House.

This amendment is proposed with the double view of meeting numerous cases in which business may have to be done with the Custom House before it would be possible to obtain the appointment of agent from the master or owner in writing, as well as to prevent the question being raised as to the personal liability of the agent for the penalties which the master may incur by offences against the Act in which the agent may in no way be implicated.

Section 6.—It is proposed that the word *shall* be substituted for *may* in the 4th line: and that the provision of the section shall be compulsory and not permissive only.

Section 7.—It is expedient that all rules made by the Chief Customs Authority for the purposes referred to shall be published for general information; and the Committee therefore propose that the words "and publish" be introduced after the word "make" in the 4th line.

It is also expedient that the term "officers of Customs" be defined.

Section 9 contains no provision for the refund of deposit made in case of dispute as to the proper amount of duty leviable: it is therefore proposed that the following be added as the third paragraph of that section, *viz*:—

"*Upon settlement of the matter on appeal such deposit or returnable portion thereof shall be repaid to such owner within* 3 *days.*

Section 13.—The bill contains no definition of the term "Warehousing Port," and the Committee submit that a definition is necessary and should be given.

Section 15.—It is proposed that this be amended so as to provide for cancelling a license on the holder thereof being convicted, *before a Magistrate,* of any offence covered by the Act.

Section 17.—It is proposed that clause *d.* be struck out, as its provision is likely to lead to complication, and as being unnecessary—trade marks being protected by separate legislation.

Section 32.—The rules made by the Local Government for regulating transhipment and exercising the powers referred to *should be published after due notice;* and it is proposed that the section be so amended.

Section 38.—It is proposed to omit "policy of insurance" in the second paragraph, because such instrument is no sufficient indication of value, since in some cases it covers a margin for profit and in others an amount representing only a partial value of the goods insured.

Section 39.—This requires considerable alteration throughout. In the first place, the time within which the Customs examination shall take place after presentation of the bill of entry and samples should be clearly defined, and it should also be ordered that no samples shall leave the Custom House for any purpose whatever until after the valuation is determined. The Committee are informed, that appraisers, when uncertain as to the value of fancy goods inspected by them, have sent samples to bazar dealers for report, and even to a rival firm. Not only does the importer lose much time and incur expense in the shape of wharf rent, &c., by this mode of proceeding, but the sale of his goods is greatly prejudiced by their being exhibited before he has an opportunity of showing them himself through the medium of his own brokers, and, without his express sanction, no dealers should be permitted to examine

his goods. Appraisers are supposed to have a thorough knowledge of the goods they have to value, and any doubts should be cleared up by private and general enquiries which would not be detrimental to the interests of importers. It is, therefore, recommended that the first clause of this Section should run as follows:—

"Goods chargeable with duty upon the value thereof but "for which a specific value is not fixed by law for the purpose of "levying duties thereon, shall be examined and appraised by "an officer of Customs immediately on presentation of the "samples, but without removal of the same from the Custom "House; and if it appears to the appraising officer that such "goods are properly chargeable with a higher rate," &c.

The second clause provides that the Collector shall "*within two clear working days* after such detention, determine either to deliver or retain," &c. This is an avoidable delay unsuited to present times. Wharf rent has to be paid to the Port Commissioners on all goods not removed from the jetty sheds within 48 hours from landing, and by a delay of two days in passing a bill of entry, the importer, through no fault of his own, is forced to incur expense for such rent. The Committee therefore think that *one* clear working day should be substituted for *two* clear days.

The latter part of the third clause they consider should be amended as follows:—

"And shall then cause them to be sold by public auction *in* "*wholesale lots for cash on delivery within one week of such* "*detention* after due notice," &c.

It has happened that the auctioneers have retail goods sold by order of the Collector, selling portions of original packages, which is scarcely in the spirit of the Act, as merchants are not licensed to sell *retail*. Again, merchants are required by the

Act to state the *wholesale cash price*, while the auctioneers give credit to approved customers, and the time within which the sale must take place should be specified, because in one instance of detention a sale was advertised, and commenced in the Custom House, but probably in consequence of the bids not reaching the Collector's expectations, the sale was stopped, and the remainder of the goods were sold a week later at the premises of Messrs. Mackenzie, Lyall and Company. To enforce this rule equitably, the Collector should be empowered to sell only on the same wholesale cash terms as the importer is required to enter in the shipping-bill.

The fourth clause of this same section the Committee consider highly obnoxious, unless counterbalanced by a fine being inflicted on the detaining appraiser, when *his* valuation is proved by public sale to be excessive, which alone can protect importers against abuse of power. A trifling difference of opinion sometimes causes a good deal of loss to the revenue, besides much unnecessary annoyance to importers, and excessive zeal on the part of officials, stimulated by a possible reward without any checking penalty, is not calculated to improve the relations between the Custom House and the public at large.

The last clause of this section authorises the Collector under special circumstances to permit the importer to "amend his "entry on payment of such increased rate of duties, or on such "other terms, as he may determine."

The practice generally adopted of late has been to levy double the ordinary amount of duty chargeable on goods, the valuation of which has been increased with the consent of the merchant. The difference (that is the difference in valuation) in question is often of a very trifling nature, and when this is the case, importers preferentially submit to an increased valuation of the goods (which in most cases are not their own property, but merely consigned by sale) than permit them to be detained and

sold by public auction. It is, therefore, recommended that the fine inflicted should be *proportionate* to the difference in valuation, and that when the Collector has reason to believe such under-valuation to be merely a clerical error or accident the fine inflicted should be a nominal one.

Section 42.—The Committee consider that the *net* and not *gross* amount realised by the sale of damaged goods should be the amount on which duty should be levied; and that the deterioration of goods should be fixed at *one-tenth*, and not *one-fifth*, of their value.

Section 45.—The Committee are of opinion that this section with its illustrations should be struck out: the introduction of any reference to mercantile contracts in a purely Customs Act appears to be not only irrelevant but calculated to lead to complication and litigation. The results of changes in tariffs are commercial risks to which merchants are liable in the course of business; and legislation in the form presented in the Customs Bill seems unnecessary for the protection of interests which may be fairly presumed to be carefully guarded by merchants themselves.

Section 50.—The Committee are of opinion that the time for re-export should be extended to *three* years, as the term of *two* years provided by the bill appears to be too short for claiming draw-back on re-exportation.

Section 63—requires that every manifest shall contain a true specification of goods on board a vessel: but it is submitted that for a master to give detailed particulars of his cargo is quite impracticable, and that consequently the Bill should be qualified by adding after "specification" the words "to the best of his knowledge."

The Committee are also of opinion that the Customs Collector should *always* permit amendment of errors in manifest, and

that there should be no discretionary powers in this respect. It is therefore proposed that the word *shall* be substituted for the word *may* in the first line of the second clause of this section, which should conclude as follows—"*on which he may levy a fee—not exceeding five rupees for each amendment—as the chief Customs Authority may from time to time direct.*

The third clause being thereby rendered unnecessary should be removed from the bill.

Section 64.—The Committee propose the omission of the words *appointed and* and *as defined in Section 3, clause h of this Act;* and the insertion after the word *approved* "by the Customs Collector."

Section 70.—In this also as in Section 63 the Committee suggest that after the word *specification* should be added "to the best of his knowledge."

And in the last clause of the section the Committee propose the alteration of *three* to *ten* days for delivering manifests and certificates: because manifests are frequently sent up by pilots from the Sandheads and it would be impossible to deliver them within the 3 days prescribed by the bill.

Section 75.—The Committee consider that the minimum period of 30 working days allowed under the present Act for discharge and shipment of cargo should be adhered to, as in most cases it is not more than is actually required: the interests of a vessel generally demand as prompt despatch as is possible, and no more time than is actually necessary is taken in discharging and loading.

Section 76.—The Committee would strongly urge the withdrawal, so far as the port of Calcutta is concerned, of all restrictions as to the boating of export cargo. The restriction by which boats may not be loaded unless the cargo is covered

by a Customs pass is, the Committee believe, antiquated and productive of inconvenience and loss without being needful in any way for the prevention of smuggling. Many vessels, steamers especially, now arrive in Calcutta ready to take in cargo, which under present restrictions cannot be put afloat until a pass has been obtained for it; a pass however cannot be had until the vessel is entered, and as boats when loaded take, with the tides, about a day to reach the ship, a vessel which could have taken cargo on board on arrival may have to wait 48 hours before cargo can be put along side. This, in the days of steam, is a serious detention. Another reason is that produce arriving by railway must be taken delivery of within 24 hours: the bulk of such produce is for shipment, but the shippers may not at the moment be in a position to boat it with a pass, and yet *not* to boat it will involve heavy expenses in removal and warehousing, which could be avoided if the cargo were allowed to be boated while the further shipping arrangements were being made.

The Committee do not think the permission to load boats with export cargo would be at all likely to lead to the revenue being defrauded, since ships are prohibited from receiving such cargo unless accompanied by a covering pass.

Section 77.—The signing of boat notes in Calcutta by an officer of Customs would be a considerable obstruction to the business of the port and would require a large increase to the Customs staff. This clause of the Section though appearing in the present Act has been inoperative in Calcutta, and the Committee recommend that it be expunged—at any rate as far as Calcutta is concerned.

Section 79.—The Committee consider that exceptional circumstances may render it a matter of imperative necessity to tranship goods promptly in order to their safety: emergent cases of collision, leak, and accidents to which boats are liable

would in the judgment of the Committee, justify immediate transhipment without permission of an officer of Customs, pending a reference to whom the property may be totally lost: and it is therefore proposed that the 2nd clause of the Section be modified so as to embrace the not improbable casualties referred to.

Section 83.—The Committee refer to their remarks on Section 39.

Section 87.—The Committee are of opinion that the maximum fee of 10 rupees is excessive, and that 5 rupees should be the *extreme* and one rupee the *ordinary* charge payable for any of the documents referred to.

The 2nd clause provides that the Customs Collector *may* authorise any amendment of documents entered and recorded, but the Committee consider that applications to amend should *always* be receivable, and that the Collector should be *required* to admit them on payment of the proposed minimum fee of one rupee.

Section 94.—The maximum period of 15 working days allowed for landing goods at the Custom House by the master of a vessel in the event of owner, agent, or consignee failing to remove them earlier is too long, and the Committee think the time should not exceed *four working days,* which they consider ample to enable owners or agents to land their consignments from vessels discharging at their own moorings.

Section 99.—The Committee consider that the time for clearing goods should be *four* months from date of landing: a sale within the time stated in the Bill may involve inconvenience and loss to parties at a distance who may have to be communicated with, and there appears to be no good reason for hurriedly selling off unclaimed goods.

Section 107.—The Committee suggest a verbal amendment

in the last clause, by omitting the word *their* and adding after "subsequent removal" the words *of the said goods.*

Section 109.—The last clause provides for the rectification of errors before the warehousing of goods is completed: but the Committee are of opinion that such rectification should be permitted *at any time before the removal of goods from warehouse.*

Section 120.—Provides for the owner of goods being compensated for loss or injury in cases of proved wilful neglect on the part of public warehouse keeper or of an officer of Customs; but the Committee submit that proved *want of ordinary care* on the part of such keeper or officer should entitle owner of goods to compensation for consequential loss or njury.

Section 137.—The Committee's remarks on Section 77 apply equally to this portion of the Bill as regards goods water-borne to be shipped for exportation, the restrictive provision seriously impeding the business operations of the Port.

Section 139.—The additional charge of 2 per cent upon market value of goods passed for shipment after port clearance has been granted is considered excessive and would fall heavily on high priced articles of exportation: and the Committee are of opinion that *a fee not exceeding ten rupees* would sufficiently meet cases of simply late shipment.

Section 140.—It is proposed that the time allowed for notice of short shipment or re-landing be enlarged to *six* clear working days instead of *three* as prescribed by the Bill.

Section 141.—may stand, but the Committee consider it almost inoperative; an owner of goods could rarely act in the manner described, as no master of a vessel would, unless under most exceptional circumstances, part with any portion of the cargo for which he had signed bills of lading.

Section 142.—The Committee propose that this be amended by omitting the words *or any owner of goods therein,* and concluding the first clause with the words *and reship and tranship the same.*

Section 153.—In the last clause the Committee propose that the word *final* be omitted, and in lieu thereof the words be added *subject to appeal to the Chief Customs Authority.*

Chapter XIV. Offences and Penalties.

The re-arrangement of this part of the Bill, although convenient in respect of concentration and juxtaposition of offences and of penalties applicable thereto, is open to the objection that the consequences of infringement of any of the provisions of the Act may be overlooked, if not disregarded, if the penal liabilities are not conspicuously described after each provision of the Act the violation of which is declared to be a punishable offence. If, however, the new arrangement is to stand, the Committee are of opinion that in every section of the Bill, to the breach of which penalty attaches, marginal or other reference should be made to the penalty leviable under this Chapter.

Section 164.—No. 16. The Committee submit that after the word *specification* should be added *in so far as such particulars are known to him.*

No. 17.—The Committee consider that the penalty for this offence committed by any pilot or officer of Customs, whose absolute duty it is to comply with the requirements of the Act, should be double the penalty inflicted on ordinary or casual offenders.

No. 19.—The Committee object generally to the provisions of this clause: the penalties apply to circumstances beyond the control of a master of a vessel; and the custom of trade as now carried on would render a master liable under such

provisions to heavy penalties on every voyage he makes; and for the establishment of any offence there should be *a conviction before a Magistrate*, as provided in No. 22 for pilots.

No. 26.—Should conclude with the additional words *except ballast in case of need for ship's safety.*

No. 28.—Appears faulty in the construction of the penal provision, because if the goods seized and liable to confiscation are *free goods* the penalty *not exceeding twice the amount of duty leviable on the said goods* cannot possibly be applicable.

No. 30.—The above marks also apply to the penal provision herein defined. There is a verbal inaccuracy in the 2nd line: for *im*portation the words should be *ex*portation.

No. 34.—This Section should, the Committee suggest, be applicable to *dutiable* goods only; and they express this opinion as they are informed that the Custom House have been known to *assume* a duty and to levy a penalty on free goods which had been short landed. The object of penal clauses in a Customs Act is, the Committee believe, the prevention of smuggling dutiable goods, and it appears to them that the master's declaration that certain goods *are* on board his ship should be taken as evidence of *bona fides* on his part rather than of any intention to endeavour to defraud the revenue.

The penalty even in the case of dutiable goods appears to the Committee to have been prescribed without due consideration of the master's position towards the owner of the goods: if they have been shipped the master is obviously bound to account for them to the owner, and in the event of their having been lost he has to satisfy the owner's claim, which would include (supposing them liable to duty) the duty paid at time of passing the goods at the Customs House. If, therefore the owner pays the duty in the first instance and recovers it subsequently, together with the cost of the missing goods from the master, it is

excessively hard to make the latter pay double the amount which the Customs have already received. If the Government demand has been satisfied any penalty in addition to duty *already* paid seems to the Committee an unjustifiable punishment.

No. 37.—The Committee propose the penal clause shall conclude with the words *unless the error be satisfactorily explained.*

No. 39.—In the second clause the words *intentionally* should be introduced and the reading would be *that the contents thereof have been intentionally described wrongly, &c.*

No. 40.—The Committee propose the insertion of *wilful* before *omission.*

No. 56.—After the words *if any gooods* the Committee propose the insertion of *except ballast.*

No. 62.—The Committee are of opinion that the following proviso should conclude the penalty clause—shall be liable to confiscation *on proof of collusion on the part of the owner of such boat, cart, or animal.*

No. 67.—Under this provision the heavy penalty of confiscation falls on the owners of the goods, whereas, it is quite possible that the misdescription or omission may be the result of clerical error on the part of the master or keeper of the cargo book, for which the owner of the goods could in no way be responsible.

No. 68.—The Committee are of opinion that the penalty for any act of carelessness on the part of the master is excessive and should be of a more moderate amount and more proportioned to the offence.

Section 168.—The penalty which attaches to the offence indicated in No. 74 of Section 164 should also apply to any

improper or unreasonable detention and search under this Section.

The Committee close their remarks on this Chapter of the Bill by observing that they have been struck by the heavy penalties which attach to offences which may be merely clerical errors and omissions, the result of press of business or of inadvertence.

In forwarding this Report on the Customs Bill I have the Committee's instructions to express their regret at the unavoidable delay which has attended its consideration and the submission of the various amendments which, in their judgment, should be admitted in framing the Act, and to which they respectfully invite the attention of the Select Committee of the Council.

CUSTOMS.

WATER-BORNE CARGO DUTY-FREE LIABLE TO SEIZURE IF UNCOVERED BY CUSTOM HOUSE PASS.

Considerable inconvenience to the export branch of business having been occasioned by the enforcement of certain Sections of the Customs Act which render even *free* goods liable to detention and seizure on their way in boats to receiving vessels if not covered by passes, the circumstance was brought to the Collector's notice, and the obstructive character of the Customs Act was illustrated by instances which shewed how business was hampered by its provisions. The Collector's duty and authority being strictly defined by law, he was powerless to re-

move the restrictions complained of: but the Committee believe that this material question will be satisfactorily solved when the Customs Bill is amended by the Select Committee of the Legislative Council of India, who have it now under consideration.

Chamber of Commerce to Collector of Customs.

Calcutta, 21*st June* 1877.

The Committee of the Chamber of Commerce desire me to bring to your special notice the following matter in connection with the department under your control, and to invite your attention to the inconvenience to which shippers are put by the enforcement of Section 118 of the Customs Act, which does not permit goods to be shipped or water-borne until a pass be first obtained. This Section must *surely refer to dutiable goods and not free goods.*

For various reasons it is impracticable always to have goods cleared for shipment prior to loading in boats. For instance—a merchant gets a shipping order on the 10th for 100 tons of seed to be shipped *at once* or on the 11th; it may be too late for passing out the stuff on the 10th, and it has to be done on the 11th; he has in the meantime to load his boats up at Nimtollah and have them down near where the ship is lying awaiting Custom pass to go alongside; the boats have to watch the tides, and such like; and by the enforcement of the Section referred to, the Patrol Officers on the river seize the boats on their way, because there is no pass.

The Committee fail to see the necessity of seizing *free* goods, and the enforcement of the Section in that respect is most unjust and injurious to mercantile interests.

The Committee would cite a few further instances where boats had been seized under varying circumstances.

1. A boat load of 125 bales jute (part of 500 bales duly cleared for shipment) were shut out from a vessel and were to have been transhipped to another, but before an application could be made for their transhipment to the latter vessel, they were seized, as there was no pass in the possession of the manjee.

2. Three boats laden with wheat for a vessel were seized for not having a pass. The shipper had applied for the clearance of the wheat-prior to its being shipped into boats, but owing to some reason the Agents of the ship failed in entering her for loading, and the shipper was in consequence refused the clearance of the wheat, and the loaded boats in the meantime were seized and the shipper fined Rs. 5 on each boat for having shipped the wheat before having a pass for it. The shipper did not anticipate any difficulty in getting the wheat cleared for shipment, and accordingly exported so as to place it alongside the ship in terms of shipping order.

3. A boat load of poppyseed—being one of 4 boats covered by a pass—went alongside a steamer off the Union Dock; the steamer discharged 3 boats, but before she could discharge the 4th she had to pass the Hooghly bridge and proceed down to her moorings at Garden Reach; the boat was ordered off from alongside, and directed to go down to Garden Reach; she was seized on the way and the shipper fined one rupee as the manjee had not a boat-note.

It must be remembered that the usual practice is for the manjee to deliver up the boat-notes to the Officer of a vessel immediately the boats go alongside, and in the last mentioned instance the manjee was not aware that it was necessary for him to get back the boat-note as he left the ship's side only temporarily.

The foregoing instances only show that the enforcement of Section 118 leads to serious inconvenience and loss of time and money to merchants, and where the goods are *duty-free* it is absurd to carry out the Act so rigidly.

From Collector of Customs to Chamber.

Calcutta, 29th June 1877.

I have to acknowledge the receipt of the letter of Chamber of Commerce dated 21st instant and to reply as follows:—

2. In Para: 1, the Chamber express their belief that Section 118 Act VI 1863 must "surely refer to dutiable goods and not to free goods." I regret that I am not able to accept this interpretation of the Section in question, the wording of the Section runs thus:—"Except with the written permission &c., *no goods*—shall be shipped or water-borne to be shipped &c., *nor*—shall *any* goods be so shipped or water-borne &c.," and the Section proceeds to provide for penalties in case *any* goods are shipped or water-borne in contravention of the terms of this Section. Moreover, a comparison of Section 123 where it is specified that *no* goods shall be shipped or water-borne to be shipped until an export shipping bill is delivered at the Custom House, and also of Section

125 which specifies that when *any* goods are sent to be shipped a boat note shall accompany them, appear to me conclusively to establish the fact that the provisions of Section 118 as well as those of Sections 123 and 125, are intended to apply to *all* goods without distinction as to their liability or non-liability to duty. It would not be within my competence to assign the interpretation which your Chamber suggest without the orders of Government.

3. Para: 2 of your letter gives an instance of the inconvenience which arises from a shipper not being able to load his boats before obtaining the necessary shipping bill. On this subject I would point out to the Committee that there are other shipping places than Nimtollah, for instance Tolly's Nullah and the Railway Depôt, &c. If shippers were to be allowed to ship free goods at any one of these places before they had obtained an export shipping bill as provided in Section 125, the supervision of Government over the export trade would be practically abolished. In the instance quoted in your letter the merchant would apparently be entering into a transaction with the full knowledge that it is very unlikely that it will be possible for him to complete it in the ordinary course of business.

Moreover the Committee are doubtless aware that one of the more prominent reasons for the supervision over the free goods for exportation is that in the interests alike of Government and the mercantile community statistics are published daily of all the transactions of the previous day. It is notorious that native shippers are very lax in their preparations of export shipping bills, and that much inconvenience arises therefrom to the mer-

cantile community as well as to the Statistical Department. This evil, however, would be greatly intensified if any person were permitted to load a boat with free export cargo to proceed to a vessel before obtaining a shipping bill. In an instance within my information lately a ship was chartered and the charterers gave shipping orders for her without reference to her capabilities for freight, or tonnage. The Committee will appreciate the inconvenience that arises in such a case as this.

4. Your Committee are aware that the Revision of the Customs Laws is under the consideration of the Imperial Government. I am not aware of what action the Chamber of Commerce may have taken in respect of the matter, but I would suggest that it would perhaps be convenient to the Chamber of Commerce to address the Government. As far as my enquiries go I have been informed that it would be difficult to make any alterations that would not cause greater inconvenience than exists at present, but I shall be glad to consider any suggestions that the Chamber may make which would in their opinion relieve the existing pressure. A copy of the Chamber's letter and this reply will be forwarded to the Board of Revenue.

5. In conclusion and with reference to the 3 cases of seizure referred to, I beg to inform the Chamber of Commerce that previous to the receipt of their letter orders had been issued for the pretection of cargo shut out from a vessel, or for which passes have been taken, and that shipping firms were furnished with information on the subject; so that it is to be hoped no further inconvenience on that head will occur.

6. With respect to the second and third instances it

will be apparent to the Committee that these are both most exceptional cases and such as are likely to happen most rarely. The seizures were perfectly legal, and it is not possible always to guard against exceptional instances where inconvenience may occur.

Chamber of Commerce to Collector of Customs.

Dated 19th July 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt on the 4th instant of your letter No. 1444 of 29th of last month.

With reference to the 3rd paragraph the Committee direct me to say it would appear that the enforcement of the provisions of the Customs Act in regard to free goods is prominently for the reason of having a careful supervision over the exportation in order that correct statistics may be published in the interests, alike, of Government and the mercantile community. They duly appreciate the object which you thus endeavour to secure, but as the Committee's reference with regard to the seizure of boats appears to have been somewhat misapprehended they direct me to say that what they urge is not that merchants may be allowed to *ship* their goods without a shipping bill, but that they may be permitted to boat and *place the cargo alongside a vessel* without a pass, and as a Preventive Officer is on board of every ship precaution can be taken by him to prevent such unprotected cargo being placed on board before the production of the shipping bill. This would afford merchants all the facility they require, and as the shipping bill would be indispensable to them for the purposes of their business, the Cus-

toms would thus be furnished with all necessary details, as at present; and thus while the object of the Act would be fully attained the requirements of the Statistical Department would be also duly provided.

The Committee receive with satisfaction the announcement contained on the 5th paragraph of your reply, and they trust that the orders issued by you will prevent a recurrence of the inconvenience brought to your notice.

Collector of Customs to Chamber of Commerce.

Calcutta, 25th July 1877.

I have the honor to acknowledge the receipt of your letter of the 19th instant, and to reply as follows :—

2. The Chamber of Commerce will see from the Sections of Act VI of 1863, which I have already quoted in my letter of the 29th ultimo No. 1444, that the law does not permit goods to be *water-borne* for exportation as the Chamber would desire, before a shipping bill shall have been delivered as provided in Section 123—Act VI, 1863. The Chamber desire that the goods should be loaded and placed alongside the ship without a pass; but as this would be distinctly in contravention of the provisions of Act VI 1863, the Chamber will see that it is not in my power to accede to their request.

3. The Chamber of Commerce are in error in supposing that Preventive Officers are on board every ship. They are not sent on board ships going to only British Indian ports, and consequently there would be no certainty that cargo unprotected by a shipping bill would not be received on board.

Duty on Salt in Private and Government Golahs.

From the following letter to the Government of Bengal it will be observed that the Committee have taken up a case of some interest to bonders of salt. It is difficult to understand the existence of a system under which a partial and preferential protection is extended to importers who are fortunate enough to secure Government accommodation, and a manifest injustice done to those who are compelled to resort to private warehouses. The circumstances of the two classes are identical in all respects except liability to pay duty on deficiency ascertained on final delivery : the former is exempt from the fact of occupying Government Golahs, while the latter is made to bear any loss that may arise from occupying less desirable premises.

The Committee have not yet received any answer to their letter, but they hope the reply that may be given will remove the cause of a well founded grievance and place all bonders on an equal and impartial basis.

From Chamber to Government of Bengal.

Calcutta, 23rd July 1877.

The Committee of the Chamber of Commerce have recently received a representation relative to the payment of duty on bonded salt in excess of the amount which,

under the circumstances of the case, they think the Board of Revenue might have fairly regarded as satisfying the claim of Government, and they desire me to submit it for the favorable consideration of the Honorable the Lieutenant-Governor.

This reference to the question of duty on salt in bond will probably recall to His Honor's recollection the discussion which took place some years ago—closing in April 1865—as to the fair and equitable allowance which Government should concede to bonders of an article from the importation of which the State derives so large a share of its revenue; but the Committee do not now purpose to re-open that question; they merely place before His Honor a case which, in their judgment, is not altogether devoid of interest sufficient to enlist their advocacy, and the merits of which they hope will be regarded by the Lieut.-Governor as justifying its submission for his final orders.

The case is as follows:—The appellants, Messrs. Nicol, Fleming & Co., imported in March 1876 a cargo, originally of 49,000 maunds, of Liverpool Pungah Salt, a portion of which, 8,590 maunds, was retailed ex-ship, and the rest 38,074 mds., placed in bond, shewing a loss of 2,336 mds. on the voyage.

There being no Government golah available, the appellants were obliged to store their salt in a private golah, at some distance from the river Bank, which was examined and approved by the Customs authorities, but when the rains set in the roof leaked and the superintendent of golahs brought the matter to the notice of the Collector.

The salt was delivered in September and October following in small lots at a time; and on adjustment of the weights received and delivered there was a deficiency of 1,400 odd maunds, or 3¾ per cent on the quantity bonded.

That deficiency having been reduced by the usual allowance of 2½ per cent for wastage, there remained a surplus deficiency of 461 mds. 26 srs. on which the appellants were called upon to pay a duty of Rs. 1,500-6-0.

The appellants explained the circumstances under which they considered they should be exempt from that charge, but the Collector's stereotyped and unalterable answer was that he had no power, under the Act, to make any concession beyond the authorised 2½ per cent for wastage: whereupon the appellants paid the duty demanded and petitioned the Board of Revenue for refund, but their application was unsucessful—the Board upholding the Collector's order.

As already said, the Committee do not purpose reopening the question of the allowance for wastage; they content themselves by begging the Lieutenant-Governor's attention to the result of a one-sided application of the Customs' Act, exemplified as follows.

A. secures a Government golah for his salt, which remains in Government custody until its release from the lien held for duty, which *is levied on the quantity actually delivered,* so that A. is exempt from duty on any deficiency in excess of the authorized 2½ per cent: he of course loses the market value of such deficiency but he pays no duty on it.

B. on the other hand, applies for a Goverment golah

but fails to secure one, and in consequence of the insufficiency of Government accommodation is driven to the alternative of renting a private golah; he has no choice in the matter, and is compelled to be the custodian of his own property and to run the risks which may expose him to the money penalty prescribed by the Act.

B's. salt is eventually sold and cleared; but as the 2½ per cent wastage allowance does not cover the deficiency on final delivery he not only loses—as A. does—the market value of such deficiency, but is held liable—*as A. is not*—for duty on the quantity unaccounted for.

Now the Committee's contention is that the provision of the Act *for identically the same purpose*, viz. the protection of the revenue, varies in its application and operates preferentially and prejudicially—as illustrated above; and this they submit is not an equitable procedure. The position of the occupier of a Government golah is better than that of the occupier of a private golah, because the former leaves his property in the custody of the Customs and is thereby preferentially exempt from a penalty which his neighbour, who has had his property involuntarily placed in his own custody, is made to incur.

If by the operation of the *same* causes—natural wastage, accidental damage by rain or other circumstances—the two bonders suffer alike from such causes, surely the exemption from duty extended to the occupier of the Government accommodation should be extended as well to the occupier of private accommodation.

Even in the extreme case of loss by surreptitious removal the former is protected against further loss in the shape of duty, whereas the latter is made to bear the

penalty of an act against which he has employed all reasonable precaution—the nature of occupancy creating the difference in the status of the bonders as regards liability for duty.

The Committee do not for a moment question the right of Government to secure their revenue by regulations however strict and stringent, or to insist on the fulfilment of bonders' obligations; but occasions arise where relaxation of rigid rules and liberal interpretation of circumstances may be not only abundantly justified, but the exercise of official power to lessen losses inadvertently incurred by merchants cannot fail to improve the relations that should exist between them and the Government.

The Committee respectfully submit the appellants' case for the Lieutenant-Governor's consideration, and it will be a pleasure to them to find that this representation has met with His Honor's concurrence.

MOFUSSIL INSOLVENCY LAW.

This subject was submitted for consideration by the Madras Chamber, who were of opinion that the Insolvency Law was incomplete, inasmuch as it did not extend beyond the limits of the Presidency, and it was necessary that its provisions should extend to Mofussil districts, where the want of insolvent jurisdiction was felt to be a great obstacle to persons in embarrassed circumstances obtaining relief and to the proper disposition of available property among creditors.

Concurring in these views your Committee addressed the Government of India in favor of the new Code of Civil Procedure being amended, so as to provide for mofussil insolvency being brought under its operation, and a more comprehensive jurisdiction established: but it will be seen from the reply to their reference that the Government, while admitting that the new Code did not place the Mofussil insolvency law in a wholly satisfactory condition, were at present unable to make the amendment applied for; they will however watch the operation of the new law, and further legislative action may hereafter be taken in the direction desired by the Madras Chamber.

From Madras Chamber to Bengal Chamber.

Madras, 12th June 1877.

I have the honor to request you to be so good as to inform me whether there is a bankruptcy law or insolvent jurisdiction in the Mofussil districts of your Presidency, and, if there is not, whether the want of such law or jurisdiction has been so seriously felt as to dispose your Chamber to co-operate with this Chamber in urging the Government to take remedial action in the matter.

In this Presidency I may mention there is no insolvent Act in force outside the Presidency Town: but it is open to Europeans domiciled in the Mofussil who seek the benefit of the existing Act to come up to Madras, to petition for protection and to surrender their property

to the official Assignee. This privilege is however denied to Native insolvents similarly domiciled, and the practice obtains in the Mofussil with reference to the property of European insolvents who do not resort to Madras and to that of Native insolvents of "first come first served." The creditors at the place where the insolvent resides who are the first to discover or to be apprised of impending insolvency are permitted to file suits in the local Civil Court, to get attachments of all available property, and thus to get paid in full, possibly before creditors at a distance are aware that the debtor is in difficulties. The system necessarily offers great inducement to "fraudulent preference," and is unjust to the whole body of creditors. This Chamber are therefore of opinion that the Government should be moved to concede powers of insolvent jurisdiction to Civil and Sessions Courts in the Mofussil, in such manner as to ensure protection being afforded alike to the insolvents and to the creditors both local and at a distance.

From Bengal Chamber to Madras Chamber.

Calcutta, 22nd June 1877.

Your letter of the 12th instant having been submitted to the Chamber's solicitors for the information desired by you regarding bankruptcy law or insolvent jurisdiction beyond the Presidency of Calcutta, I am desired to furnish you with a copy of Messrs. Sanderson and Co.'s letter, which will inform you that insolvency jurisdiction will be extended to the Mofussil Courts of all Presidencies from the 1st October next.

From Messrs. Sanderson & Co. to Chamber.

Calcutta, 19th June 1877.

With reference to the letter from the Secretary of the Madras Chamber of Commerce of the 12th current, left with us by you and which we return enclosed, we beg to inform you that there is not at present any insolvency jurisdiction in the Mofussil districts of this Presidency.

Such a jurisdiction is provided however by Chapter XX of the Code of Civil Procedure (Act X of 1877) which comes into force on the 1st October next and which will apply to the Mofussil Courts of all three Presidencies.

The application to Government in which the Madras Chamber solicits the concurrence of your Chamber will be unnecessary as the provisions we have indicated will be amply sufficient to meet the evil which the Madras Chamber points out.

From Madras Chamber to Bengal Chamber.

Madras, 5th July 1877.

I am directed to acknowledge receipt of your letter of the 22nd ultimo, enclosing a copy of a letter from your Chamber's solicitors on the subject of insolvency jurisdiction.

The provision of insolvency jurisdiction in the Mofussil by Chapter XX of the new Civil Procedure Code is a step in the right direction and to a great extent meets the wishes of this Chamber; but you will observe that the benefits of the Act are limited to "any person arrested or imprisoned in consequence of a decree for money." Con-

sequently should a man in the Mofussil find himself in pecuniary difficulties and desire to be declared an insolvent, he will be unable to apply to the District Court until a creditor has proceeded to the extremity of arresting or imprisoning him in execution of a Court's decree. So the relief contemplated by the Act can only be afforded at the discretion of the creditors. It seems to this Chamber however that the debtor should be entitled to make and the Court be empowered to entertain, a declaration of insolvency as soon as he finds his embarrassments are not otherwise surmountable. They will therefore be glad to hear that this view is shared by your Chamber. It is probably not too late to obtain a verbal alteration of Sections 344 and 360 of the Act in the direction indicated before it comes into force.

From Messrs. Sanderson & Co. to Chamber.

Calcutta, 9th August 1877.

We have considered the letter of the 5th ultimo from the Secretary to the Chamber of Commerce Madras, which we return.

No doubt the benefits under Chapter XX of the new Civil Procedure Code are limited to "any person arrested or imprisoned in consequence of a decree for money," but we should imagine that a person in pecuniary difficulties would not be allowed to go on trading or carrying on business in a state of indebtedness, without some of his creditors, either hostilely or otherwise, obtaining a decree against him and arresting him. If the debtor is desirous of paying his debts without seeking the protection of the Court under the clauses of the new Procedure Code, he could no doubt make an arrangement with his creditors.

If he did not intend honestly to do the best he could for his creditors one or more of his creditors would try to get an advantage over the others, and proceed to a decree and arrest the debtor and the object would be obtained.

It would, as remarked in the letter under acknowledgment, be a great advantage that the debtor should be entitled to make and the Court be empowered to entertain a declaration of insolvency, as soon as he finds his embarrassments are not otherwise surmountable, but the difficulty on this head is that the Mofussil Courts have not the establishment or officers capable of performing the duties of an official assignee, who should necessarily be a trained lawyer; and the Judge of a Court could scarcely have time to add to his already onerous duties those of such an officer, and we fear this would be the answer given by Government to any requisition for an amendment of the law on this head.

It seems to us that there are only two courses open to a debtor who is unable to pay his creditors, *viz.*, either to come to an arrangement with them by assigning his property to Trustees for the benefit of all his creditors, or to allow a suit to be brought against him and, if arrested, to apply under Section 344 of Act X. of 1877 to be declared an insolvent.

From Chamber to Government of India.

Calcutta, 24th August 1877.

The Committee of the Chamber of Commerce desire me to request you will oblige them by submitting this letter for the consideration of the Government of India in the Legislative Department.

The Madras Chamber of Commerce having represented that there was no Insolvent Act in force outside the Presidency Town, and that the practice in the Mofussil offered great inducement to "fraudulent preference" being given to local creditors of an insolvent and consequently resulted in injustice to the whole body of creditors, the matter was referred to this Chamber's solicitors, who were of opinion that the provisions of Chapter XX of the Code of Civil Procedure (Act X of 1877) which comes into force on the 1st October next, would be sufficient to meet the evil complained of, and that opinion was communicated to the Madras Chamber.

They reply however that, while the Act meets their wishes to a great extent, the Mofussil Insolvent can obtain no relief from his embarrassments unless and until he is arrested or imprisoned in consequence of a decree for money.

This they contend is a great hardship and severe alternative, and that the debtor should be entitled to make, and the district Court be empowered to entertain, a declaration of insolvency as soon as he finds the difficulties of his position are not otherwise surmountable.

And I am instructed to say that this view of the matter is shared by this Chamber, and to submit this application for such amendment of the sections of the Act bearing on this special point as may remove the objections urged against their present provisions.

From Govt. of India to Chamber of Commerce.

Simla, 11th October, 1877.

I am directed to acknowledge your letter dated the 24th August last on the subject of insolvency in the Mofussil.

2. It appears that the Madras Chamber of Commerce complain of the absence of a complete insolvency law for places outside the Presidency Town, and urge that although the provisions of Chapter XX of the new Civil Procedure Code (which has come into force on the 1st instant) will to a great extent meet the want, yet they will not enable a Mofussil insolvent to obtain relief from his embarrassments unless and until he is arrested or imprisoned in consequence of a decree for money. This the Madras Chamber consider a great hardship. They are of opinion that a Mofussil debtor should be entitled to make, and the District Judge be empowered to entertain, a declaration of insolvency as soon as the former finds the difficulties of his position to be otherwise insurmountable. The Bengal Chamber of Commerce concur in these views, and recommend an amendment of the provisions of Chapter XX of the new Civil Procedure Code in order to remove the objections urged.

3. I am to bring to your notice that when moving the reconstitution of the Select Committee on the Civil Procedure Bill, the Hon'ble Mr. A. Hobhouse particularly referred to those sections of the Bill which related to insolvency in the Mofussil. He remarked that the late Civil Procedure Code contained the germ of an insolvency law, and he explained that the judicial machinery in the Mofussil could hardly be adapted without large and costly additions to the working of any general and complete law of insolvency, and that at all events such a law should be treated as a separate measure and not embodied in the Civil Procedure Code. Mr. Hobhouse further expressed an opinion that it would be better, and be likely to pave the way to some more complete measure in future, if the

existing law were made a little less rudimentary and the existing provisions were supplemented where they seemed to have broken off in their natural course. He then explained the contents of the insolvency sections introduced into the Bill.

4. Again in presenting the report of the Select Committee Mr. Hobhouse reverted to the sections of the Bill on insolvency, remarking that the object was to provide a law which would be less rudimentary than the present one, but which would still fall short of a complete and full insolvency law for the Mofussil, which the judicial machinery was not at present strong enough to work.

5. The Government of India are quite aware that the new Code of Civil Procedure, while improving the Mofussil insolvency law, will not place it in a wholly satisfactory condition; but for the reasons above stated it was not found possible at once to treat the question of Mofussil insolvency in a more complete manner. The Government of India will however watch the operation of the new law, and will be glad of the assistance of the Bengal and Madras Chambers of Commerce when the time arrives for taking further legislative action.

From Bengal Chamber to Madras Chamber.

Calcutta, 16*th October* 1877.

From the accompanying copy of letter from the Government of India you will observe that the representation submitted by your Chamber regarding the Mofussil insolvency law has had the attention of the Government of India, and although at the moment no amendment can be made there is ground for hope that relief in the direction suggested by your Chamber will hereafter be obtained.

Supply Bills on Govt. Treasuries in Assam.

The sudden suspension of Government bills on treasuries in Assam occasioned considerable inconvenience to those who had been in the habit of supplying funds to their Tea Estates in that Province by means of such remittances, and induced the Committee to bring the matter to the notice of the Comptroller General, who, while sensible of the difficulty which was thereby created, gave sufficiently grave reasons for the temporary withdrawal of the accommodation, which was however shortly afterwards resumed.

From Chamber of Commerce to Comptroller General.

Calcutta, 19th July 1877.

The Committee of the Chamber of Commerce desire me to represent the extreme inconvenience which has attended the sudden and unexpected suspension of drafts on Public Treasuries in Assam; that the withdrawal of facilities hitherto afforded for supplying funds to Tea Planters in that Province involves seriously embarrassing consequences; and the absence of the ordinary provision to meet heavy monthly cash payments to the garden coolies, &c. will place managers and others in a position of considerable difficulty until funds are set up from Calcutta by the slow process of transmitting specie.

That difficulty would however have been got over if sufficiently early notice had been given of the intention of Government to stop supplying their Treasuries

with funds; and the uncertainty as to the resumption of the issue of drafts occasions so much inconvenience that the Committee will be glad if the purpose of Government in this respect can be communicated to the commercial public at as early a date as possible to enable them to make suitable arrangements for the protection of their interests.

From Comptroller General to Chamber of Commerce.

Calcutta, 20th July 1877.

I have the honor to acknowledge your letter of yesterday's date.

I beg that you will assure the Committee of the Chamber of Commerce that the inconvenience which an inability to obtain supply bills must cause to Tea Planters has not been overlooked by the Financial officers of Government, who would gladly have remedied it had any measure of relief appeared within their power.

The Accountant General, Bengal, has already sent a supply of silver to Cachar and expects to hear of its arrival by the end of this month. He will begin from tomorrow to grant bills against it in anticipation. But I fear that I cannot promise an immediate supply to the Assam Treasuries, though 85,000 Rs. are on their way to Sibsagar and 50,000 to Lakhimpur.

I do not think, however, that the Assam Planters have had less than their usual accommodation this year. No silver has been moved from the North-East Treasuries of Bengal, except in the direction of Assam, since the month of February, at which time Assam was well supplied with silver, and there was no prospect of a dearth of the

metal. This arises from the greater demand for bills this season. Already 2½ lakhs have been granted in excess of the first half of 1876, and, while the planters' needs have increased, Government, owing to a combination of unfortunate circumstances, were unable to extend the accommodation.

You are, of course, aware from the Financial Statements and the necessity of Government to apply for a loan that the cash balances have been unusually low this year. Most of the disposable reserve too was in Madras and Bombay to meet the requirements of the famine. In Bengal it was a matter of great anxiety how to meet the Secretary of State's drawings and I could not possibly lock-up any of my balances for the time it would take to send the silver from Calcutta to Assam and draw it thence by supply bills.

Even now that the balances are easier I find myself as helpless as before, for the stock of silver is still too low for me to risk sending it away from Calcutta. The public are taking very little share in the transport of silver and throw almost the entire burden upon Government. The importers of bullion send their supplies to Bombay: the tenderers for the loan, the purchasers of opium, make their payments in Madras and Bombay notes: while the dealers in country produce withdraw more than two lakhs a day from the Currency Office.

I have been compelled to replenish the silver balances of Calcutta by transport from Madras and Bombay, but I do not think that it can be expected of Government to carry silver from those Presidencies the whole way to Assam in order, as I remind you, to *increase* the accommodation given to the planters of that province.

I must confess that the temporary cessation of the issue of bills on Cachar is probably due to my having removed silver to Calcutta from the East in April: but no one who is aware of the alarming point to which the stock of silver was reduced in that month will doubt that I chose the least of two evils.

To conclude then, it appears to me that the accommodation given to the Assam planters has not been diminished, but their wants have increased: and Government, owing to the assistance which the currency system has given to the bullion importers, bankers, opium purchasers, and merchants of country produce, has, much to my regret, not been able to increase its supplies of silver accordingly.

JUTE WAREHOUSE ACT.

Te subjoined correspondence, begun as far back as August 1876, has at last resulted in some progress being made, but not in so far as levying the taxes for the support of the Fire Brigade in a more legitimate manner than has hitherto been the case. The Committe hope in course of time to be able to convince the local Government that some others are interested in preserving the town from fire besides the Jute Warehouse owners and the few who insure their property.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 18*th August* 1876.

The Committee of the Chamber of Commerce desire

to bring to the notice of his Honor the Lieut.-Governor the oppressive manner in which Act II of 1872 is administered by the Municipalities of Calcutta and Howrah.

The Act was passed when the streets of Calcutta were full of jute warehouses and screw-houses not at all adapted for storing and working such a combustible article. At that time also the trade in jute and jute goods was in a flourishing state, and the very heavy taxation which the Act allowed was paid cheerfully by the owners. Now the jute is stored in well-built solid brick buildings, and the screw-houses that were in the town have, almost without exception, been moved to the suburbs.

The undue strictness of the Act was relaxed some time ago upon the representation of the Chamber, and the inspection of warehouses and licensing of them has become little more than a matter of form. The state of the jute trade, and particularly of jute pressing, has for some time back been far from satisfactory. Several large Joint Stock Companies for pressing jute have had to close, and the remainder have either been losing money or just been able to cover their expenses. Under these circumstances the rates of taxation to which they are subjected have not failed to come prominently before Directors and Agents, who naturally think, when Section 7 says that the fees levied shall be assessed "having "regard to the probable income derived from such jute "warehouses," that the greatly altered state of their incomes from such property should be considered. This however the Municipalities refuse in any way to acknowledge, and they continue to levy the same fees as they did when jute screwing was leaving 30 per cent. to 50

per cent. of profit. As an instance of how these fees are levied we may cite the "Riverside Pressing Co., Ld." a Company quoted regularly in all the papers, so that its profits are perfectly well known. In the past two years it has given no dividend, and notwithstanding this it has to pay a fee of Rs. 1,000 for the press house and Rs. 500 for a godown, the latter being considered as a separate depôt because a cart road runs between the two.

Although the Act specially raises a fund by taxing all policies of insurance for the support of a fire brigade, the Howrah Municipality pays the whole of their brigade expenses out of the warehouse licenses. The result of this exaction of excessive license fees is shown at once by the fact that out of 50 jute warehouses only 26 took out a license last year, and these 26 warehouses had to support the fire brigade for a town two miles long by one broad.

Not content with this the Commissioners are now wishing to bring the article "Seemul," under the Act, on the plea that it is cotton. There are some dissenting voices amongst the Commissioners, the Chamber understand, but the question is seriously considered and summonses have been issued against those storing the article. The result will be that twenty or thirty petty dealers will either have to abandon their trade of retailing this article or pay Rs. 150 of license tax. This of course means that they will all be ruined excepting one or two who will monopolize the business.

The Committee beg that is Honor will give such instructions as will cause the Act to be worked according to the spirit of it; that the fees levied be not greater

than is required to cover fully the expenses of inspection; and that the Act shall not be used solely as a means of extorting the largest sum of money that the wording will admit of.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 8th February 1877.

I am directed to acknowledge the receipt of your letter dated the 18th August 1876, in which the Committee of the Chamber of Commerce represent that some of the provisions of Act II (B.C.) of 1872 (for the registration of jute warehouses and the establishment of a fire-brigade) are administered in an oppressive manner by the Municipal Commissioners of Calcutta and Howrah. In particular, the Committee state (1) that, having regard to the depressed condition of the jute trade, the rates of taxation at present imposed on jute warehouses are unduly heavy; (2) that although the Act specially raises a fund by taxing all policies of insurance for the support of a fire-brigade, the Howrah Municipality pay the whole of their brigade expenses out of the warehouse licenses, and (3) that the article *seemul* has been improperly brought under the operation of the Act in Howrah, on the plea that *seemul* is cotton. The Committee request that the Lieutenant-Governor will issue such instructions as will cause the Act to be worked in accordance with its spirit, and that the fees levied should not be greater than is required to cover fully the expenses of inspection.

2. In reply, I am to say that although the Government cannot exercise any direct control over the pro-

ceedings of the Municipal Commissioners under the Act, except in regard to the application of surplus funds as provided in section 25, Act II (B.C.) of 1872, and section 7, Act II (B.C.) of 1875, a report on the representations made by the Committee was called for from the Municipal Commissioners of Calcutta and Howrah, and of the Suburbs of Calcutta.

3. The reports received show that the Municipal Commissioners are quite willing to revise existing assessments in accordance with the powers given them under the law, and to take into consideration any circumstances which may be urged by individual license-holders for a reduction of their assessment on account of the altered condition of the jute trade. All, therefore, that seems necessary is that the Committee should advise any persons, who are of opinion that their buildings are over-assessed, to apply to the Municipal Commissioners. The Lieutenant-Governor is informed by the Chairman of the Howrah Municipality that whenever applications of this nature have been made, they have been fully and carefully considered, while in Calcutta it appears that no such applications have been hitherto received.

4. As regards the special reference which has been made to the proceedings of the Commissioners of the Howrah Municipality, I am to say that it appears to the Lieutenant-Governor that it is immaterial whether the whole expenses of the fire-brigade are defrayed from the proceeds of warehouse license fees or not, provided that the assessments made in each case are fair and equitable, and this the Lieutenant-Governor is assured by the Chairman of the Commissioners has been the

case. The Chamber are apparently under a misapprehension as to a share of the proceeds of the rate levied on insurances in Calcutta being assigned to the Municipal Commissioners of Howrah. The law gives them no interest in these rates, neither does it admit of a rate on insurances being imposed at Howrah, and, as a matter of fact, it is reported that it has been found necessary to meet a part of the cost of maintaining the fire-brigade from the general funds of the Municipality, as the proceeds of the warehouse license fees alone have been insufficient for the purpose.

5. In requesting that instructions should be issued by the Government to the Municipal Commissioners that the fees levied under the Act should not be greater than is required to cover fully the expenses connected with the inspection of warehouses, the Committee appear to have overlooked the fact that any such directions would be opposed to the object and intention of the law, which, as shewn in the preamble of the Act, was passed, not only for securing the supervision and control of warehouses stored with inflammable substances, but also for the purpose of providing for the organization and maintenance of a fire-brigade. In Howrah, as already stated, the surplus collections, after payment of all charges under the Act, have been hitherto insufficient to defray the cost of the fire-brigade. In Calcutta and the Suburbs a large balance has accumulated, and in view of this, the Lieutenant-Governor is of opinion that there the assessments might well be revised. This consideration will be brought to the notice of the Municipal Commissioners.

6. With reference to the intention of the Municipal

Commissioners of Howrah to treat *seemul* as falling within the operations of the law, I am to say that it has been intimated to the Chairman of that Municipality that, in the opinion of the Lieutenant-Governor, it was never intended by the Act to include this article under the head of cotton, and that consequently its classification with jute or cotton, without the previous sanction of the Government under section 30 of the Act, is not legal. The Commissioners have been accordingly requested to change their practice, and to treat *seemul* as it is treated in Calcutta and the Suburbs.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 22nd February 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 622 of the 8th instant.

They observe with satisfaction that the Lieutenant-Governor is of opinion that the assessments under the Jute Warehouse Act in Calcutta and the suburbs may well be revised, and that a reduction of rates may be anticipated on application to the Commissioners.

The Committee have to thank His Honor for putting a stop to the illegal practice adopted by the Howrah Municipality of classifying the article *semul* as cotton.

In reply to para. 3 of your letter and as disproving the statement that applications for a reduction of assessment have been carefully and fully considered by the Chairman of the Howrah Municipality, I am instructed to submit the annexed copies of an application made by the West's

Patent Press Company for a reduction. When the assessment was fixed, the pressing rate was Rs. 2-8 per bale, and Press Companies were making a profit of 30 to 50 per cent. per annum. Now and for two years back the average of pressing rates has been Re. 1 per bale, and such establishments have either been running into debt or barely paying their way: but the application for a reduction meets with a refusal notwithstanding.

With regard to para. 4, the Committee admit that they were under a misapprehension that a share of the proceeds of the rate levied on insurances in Calcutta was assigned to the Howrah Municipality and beg to apologise for the error; but, if their reading of the Act is correct, the Howrah Municipality appear to have exceeded its powers by appropriating the surplus fees (after paying the inspection establishment) to the expense of a Fire Brigade, such being, according to section 25, only authorized for Calcutta and the suburbs, whilst Howrah is only legally entitled to apply the funds derived from fees and penalties in payment of all expenses incurred in or about the inspection and superintendence of Jute Warehouses and the granting of licenses in respect thereof. Section 10 provides that only in respect of part II it is intended that the Act applies unless the Howrh Municipal Commissioners are especially referred to. It is not therefore necessary to levy there more fees than are required for the purpose authorized by the Act, and a refund of the amount thus illegally obtained from contributors should, the Committee submit, be made by order of Government.

His Honor will at once see the justice of the distinction which the Act made between Calcutta with its su-

burbs and Howrah. In the former all insurance policies pay towards the Fire Brigade, and the cost thus falls on a very large amount of property ; but this provision does not extend to Howrah, and so it happens that, as worked at present, the whole expense of the Fire Brigade falls on about twenty establishments of small extent, whilst considerable properties of an equally dangerous nature escape. That being so the Committee can hardly think that these assessments are in " each case fair and equitable."

As regards their statement that the Howrah Municipality pays the whole of the Brigade expenses out of Warehouse licenses, the Committee would crave reference to the *Calcutta Gazette* of 19th July last, which they believe fully justified the statement, the different items debited to expenditure account being quite outside the legitimate current expenses—the purchase of land for Rs. 1,500, for example.

It is manifestly unjust that the cost of the Fire Brigade should fall on any one class of property, such as the *Jute Screw Houses*, when other equally or more dangerous trades entirely escape. For instance, this tax is not levied upon *Jute and Cotton Mills* (though Jute and Cotton are being used up there in a loose state and in constant danger of fire from the friction of the machinery) nor upon *Oil Mills*, or other risks which the Insurance Companies will not take except at higher rates than charged to Jute Screw houses and Warehouses.

As probably some modification of the Act may be contemplated, the Committee would venture to point out that not only is the principle of making one class of

trade pay for the expenses of the Fire Brigade unjust, but likewise that those that insure should be taxed for the benefit of those who do not. The cost of a Fire Brigade is fairly contributable to by all the inhabitants and would with more propriety be borne by general funds.

The Committee do not wish to suggest that the inspection of Jute Ware-houses should be done away with, and it is right that such inspection should bear the cost of the same ; but in their judgment it is unfair that ware-houses should be called upon to pay more than their just share of the taxation for a Fire Brigade.

Calcutta, 7th July 1876.

R. A. DONNITHORNE, Esq.,

Secretary, Howrah Municipality.

Dear Sir,—Please grant us a license for the West's Patent Press Company "Limited," Sulkea, for Jute. Please note that we have only two Presses now which we are informed reduces the premium for the License by half.

Yours faithfully,

(Sd.) ANDERSON, WRIGHT & Co.,

Agents, West's Patent Press Co., "Ld."

Office of the Howrah Municipality.

No. 473.

Howrah, 8th July 1876.

From R. A. DONNITHORNE, Esq.,

Secretary.

To Messrs. ANDERSON, WRIGHT & CO.,

Gentlemen,—In reply to your letter of date, I beg to

inform you that the license fee for your premises will be Rs. 500 per annum. Although you have at present only 2 Presses the reduction in the valuation of one, being Rs. 960, yet falls within Class III.

Yours faithfully,

(Sd.) R. A. DONNITHORNE,

Secretary.

Calcutta, 20th July 1876.

R. A. DONNITHORNE, Esq.,

Secretary, Howrah Municipality.

In continuation of ours of 7th instant, regarding reduction in the License fee for the West's Patent Press Company, Limited, we would again point out that we have already taken down one of the Presses, and are arranging removal of 40 feet of the Press house. As these changes reduce the value of the assessed property by about Rs. 30,000 and reduce the size and capabilities of the premises we are entitled to a proportionate reduction in the license fees charged us. Section 6 says that the fee is to be fixed having reference to the probable incomes derived from it, at the time that it is assessed. As Screw Houses are now without exception either losing money or barely covering expenses, the very utmost that the Act will allow you to charge is Rs. 250. We are quite ready to prove to you that this is the present state of matters, and that it has been the same for nearly 18 months now, and that there is no immediate prospect of improvement.

Yours faithfully,

(Sd.) ANDERSON, WRIGHT & CO.,

Agents, West's Patent Press Co., "Ld."

OFFICE OF THE HOWRAH MUNICIPALITY.

No. 649.

Howrah, 15th August 1876.

FROM R. A. DONNITHORNE, ESQ.,

Secretary.

TO MESSRS. ANDERSON, WRIGHT & CO.,

Agents, West's Patent Press Company, Limited.

GENTLEMEN,—With reference to your letter of the 28th July, I beg to inform you that your application for a reduction of the fee for a license will be laid before the next meeting of the Commissioners for consideration. In the meanwhile, however, I must call upon you to pay the amount of the fee (Rs. 500 per annum), which was fixed by the Commissioners for a license for your Jute Warehouse. If the Commissioners grant a reduction of the fee, the proportional amount will be refunded to you.

Yours faithfully,

(Sd.) R. A. DONNITHORNE,

Secretary.

OFFICE OF THE HOWRAH MUNICIPALITY,

~~*Howrah, 9th*~~ *September* 1876.

FROM THE SECRETARY,

TO MESSRS. ANDERSON, WRIGHT & CO.,

Agents, West's Patent Press Co., "Ld."

Memo. No. 762.

Begs to inform them that their application for a reduction of the fee for a license under the Jute Act was submitted to the Commissioners at a special meeting held on the 7th instant, when it was resolved that

Messrs. Anderson, Wright & Co., should be informed that their application will be considered when a portion of their Press House is removed.

(Sd.) R. A. DONNITHORNE,
Secretary.

Calcutta, 19th October 1876.

R. A. DONNITHORNE, ESQ.,
Howrah Municipality.

DEAR SIR,—We have commenced taking down the portion of our Press House which we advised you sometime ago we intended sending away; we, therefore, beg to resubmit our claim for a reduction in the license rates.

Yours faithfully,
(Sd.) ANDERSON, WRIGHT & CO.

OFFICE OF THE HOWRAH MUNICIPALITY.

No. 1004.

Howrah, 15th November 1876.

FROM R. A. DONNITHORNE, ESQ.,
Secretary.

TO MESSRS. ANDERSON, WRIGHT & Co.

GENTLEMEN,—In reply to your letter of the 19th ultimo, I beg to inform you that consequent on the removal of a portion of the Press House and one of your Hydraulic Presses the following will be the valuation of your premises :—

Buildings with Pressing House	...	Rs. 4,320
2 Presses	...	„ 1,920
		Rs. 6,240

The fee for a license on this amount is Rs. 500 per annum.

Yours faithfully,

(Sd.) R. A. DONNITHORNE,

Secretary.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 13th March 1877.

I am directed to acknowledge the receipt of your further letter of the 22nd ultimo, on the subject of the administration of the Jute Warehouse Acts, and with reference to paragraph 4 of your letter, in which an instance is cited in which the Committee are of opinion that an application for the reduction of an assessment has not been carefully and fully considered by the Municipal Commissioners of Howrah, I am to state that the Chairman of that Municipality has been called upon to submit a report on the case in question.

2. In regard to the opinion expressed by the Committee, to the effect that the Municipal Commissioners of Howrah have exceeded their powers in having levied fees over and above the amount required for the inspection and superintendence of Jute warehouses, and that the surplus sums thus illegally obtained from contributions and expended on the maintenance of a fire-brigade should be refunded, I am to point out that the Committee have apparently overlooked the fact that section 25 of Act II of 1872 has been amended by section 7 of Act II of 1875, and that the following addition has been made to the section first quoted, "in the case of the municipality of Howrah, the balance of such monies,

after payment of the said expenses (*viz.* those referred to in section 25 of Act II of 1872), shall be paid to the credit of the Municipal Commissioners of Howrah, and shall be applied by them for the purposes of a fire-brigade, or for such other purposes for the benefit of the municipality of Howrah as the Lieutenant-Governor of Bengal may direct." I am also to point out that section 10, Act II of 1872, has been repealed by section 1 of Act II of 1875, and has been replaced by section 6 of the latter Act.

3. It is by no means clear why, when Act II of 1872 was amended as above noticed, the provisions of sections 26, 27, and 28, which empower the Municipal Commissioners of Calcutta and the suburbs to levy contributions towards the expenses of a fire-brigade from all public Companies who insure property from fire, were not extended to Howrah. I am to say, however, that the question of extending these provisions of the law to Howrah, as well as the remarks made by the Committee that it would be more equitable that a general rate should be levied for the maintenance of a fire-brigade, than that contributions should be alone demanded from any particular class of property, will be taken into consideration in the Legislative Department.

4. In respect to paragraph 7 of your letter, I am to observe that the sum of Rs. 1,500, referred to therein, was expended for the construction of an engine shed, as well as for the purchase of land on which this shed was erected. It may be a question whether the cost of the land ought not to have been debited to the general revenues of the Municipality, but had the Committee examined the accounts to which they refer more closely,

they would have seen that the inclusion of this sum as a debit against the Fire Brigade Fund does not affect the correctness of the remarks made in paragraph 4 of the letter from this office, No. 622, dated 8th February 1877, as the receipt levied under the Act fell short of the expenditure by Rs. 1,834.

5. It is not apparent why, as mentioned in paragraph 8 of your letter, Cotton and Jute mills have not been brought under the provisions of the law. If they are used for the "storing," "keeping," and "depositing" of cotton and jute, it seems to the Lieutenant-Governor that they ought to be brought under the operations of the Act. The Municipal Commissioners of Calcutta, the Suburbs, and Howrah have been requested to report why these buildings have not been brought under the operations of the Act, if such is the case; and, if they cannot be so brought with reference to sections 2 and 4 of Act II of 1872, whether they consider that an amendment of the law is desirable.

6. With regard to the statement made in paragraphs 6 and 8 of your letter that properties of an equally or more dangerous nature, such as oil-mills, are not required to contribute towards the cost of the fire-brigade, I am to draw the attention of the Committee to the provisions of section 30 of the Act, in accordance with which it is open to the Government, on the recommendation of the Municipal Commissioners, to declare that any other fibre or commodity which is stored or deposited in warehouse, besides jute and cotton, shall be warehoused and kept subject to the provisions of the Act, and I am to suggest that the Committee should represent the matter for the consideration of the Municipal Commissioners.

7. In paragraph 9 of your letter you observe that it is unjust that those that insure should be taxed for the benefit of those who do not, but I am to point out that under the law it is not those who insure, but the Insurance Companies, who are taxed; that these of all persons are chiefly benefited by the maintenance of an efficient fire-brigade, and that there is no reason to believe that the very insignificant amount of tax which they pay for the protection of their own interests, and of which they have never complained, is really shifted in any part on to those who are insured. I am also to add that the principle of taxing Insurance Companies in this manner is not a new one, but was taken from the London Fire Brigade Act of 1865.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 11th June 1877.

With reference to the correspondence that has already passed between the Government of Bengal and the Chamber of Commerce relative to the Jute Warehouse Act, and to your letter No. 1198 of the 13th March, the Committee direct me to inquire if it is convenient to furnish them with a copy of any Report the Chairman of the Howrah Municipality may have submitted on the case cited by them and referred to in the 1st paragraph of that letter.

The Committee are glad to receive your assurance that the present mode of raising funds for the maintenance of a fire-brigade is having the attention of Government and that the question will be taken into consideration on the Legislative Department.

The Committee think it necessary to point out in reply to the closing paragraph of your letter that Insurance Companies have invariably in all cases insisted upon the insurers paying the fire-brigade tax, which they make a separate special charge on their policies in addition to the insurance premium : so that while the Companies satisfy the requirements of the law in the first instance the burden of the tax falls upon the insurers on whom it is in reality shifted in its entirety : practically therefore the insurers and not the Companies are they who pay the tax.

Though this mode of raising money by taxing Insurance Offices may very well suit in London where almost every one insures, it is very different in India where such precautions are only taken by Europeans—as a rule. The amount on which the rate falls is thus very restricted, and further it is the property least likely to cause fire or to endanger other property if fire did take place that is made to pay.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 28th January 1878.

In continuation of this office No. 622 dated the 8th February 1877. I am directed to forward for the information of the Committee of the Chamber, the accompanying copy of a communication* from the Commissioner of the Presidency Division giving cover to a letter No. 33 T. B., dated the 5th December last, from the Chairman of the Suburban Municipality, from which it will be seen that such reductions as were in the

* No. 90 M. M. dated 10th December 1877.

opinion of the Commissioners called for have been made in the assessments of Jute Warehouses situated in the Suburbs.

From Magistrate 24-Pergunnahs and Chairman of the Municipal Commissioners of the Suburbs of Calcutta to the Commissioner, Presidency Division.

Dated Alipore, the 5th December 1877.

I have the honor to acknowledge the receipt of your endorsement No. 52 M. M., dated 16th February 1877, giving cover to Officiating Secretary's letter No. 621 of the 8th February last with enclosure, and in reply beg to inform you that in accordance with the suggestions contained in paragraph 2 of the Government letter, I laid the matter before the Commissioners at a meeting. They agreeing with these suggestions for the reductions of assessment of the Jute Warehouses, have made such reductions where they considered them called for.

PORT COMMISSIONERS BYE-LAWS.

The proposed new bye-laws of the Port Commissioners were submitted by the Government of Bengal for the opinion of the Committee, who suggested various amendments; but the regulations were nevertheless confirmed by the Government, who were of opinion that they should stand as framed by the Commissioners.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 21*st June* 1877.

The Committee of the Chamber of Commerce desire me to return, as requested, the original papers received with your memorandum No. 1439 of 22nd ultimo, and to submit the following remarks and amendments of the bye-laws of the Port Commissioners.

No. 1. The allotment of jetties shall be *in order of arrival of vessels within the limits of the Port,* as a general rule; but the Commissioners shall, under special circumstances, have power to order otherwise. Vessels discharging or loading at the jetties shall move from one jetty to another when ordered, *free of charge to such vessels.*

No. 4. Government stores often come to Calcutta with a stipulation in bills of lading that goods are not to be landed on the jetties but into cargo boats. Owners and masters cannot tell where they are to be eventually landed; and this clause as it stands might cause great

expense to a ship, if both Government and the Commissioners stood upon their rights.

It is therefore proposed that the Rule be altered as follows:—

Vessels lying at the jetties shall not, without special permission, discharge cargo into boats, if such cargo is to be subsequently landed on the Calcutta bank of the river between Chitpore Canal and Tolly's Nullah—*Government Stores excepted.*

No. 6. Single packages over 3 tons shall not be hoisted until the *approximate* weight shall have been ascertained *from the Master of the vessel*; and when packages weighing more than 3 tons are being hoisted the Superintendent of the Cranes shall invariably be present.

No. 7. Master of vessels shall furnish special notice to the shed officers before landing packages *known to the said master to contain* articles liable to ignition or explosion or which are otherwise dangerous.

No. 12. The Committee are of opinion that the coopers employed by the Commissioners *should be guaranteed by them:* and that the Commissioners shall license coopers in the employment of any firm who may wish to have their own work done by their own men.

No. 14. It is quite possible, indeed it is no uncommon occurrence, for bills of lading to be late, if not lost; and if the vessel is content to deliver cargo without those documents the Port Commissioners should likewise consent. The Committee recommend the rule to run thus:—

No. 14. Goods landed at the jetties shall only be delivered on production of bills of lading accompanied by

a delivery order from the master or agent of the vessel, and no delivery order unsupported by bills of lading will be accepted *without a guarantee from the consignees confirmed by the agent of the vessel.*

No. 15. 16. } These are very objectionable clauses.

If the jetty authorities will not receive the packages, what is to become of them when the ship is bound to land at jetty? As the jetty authorities actually land the cargo, they can as easily sort such goods from the slings, as a master can afterwards, when the confusion has been increased by remixing goods in the jetty compound. If marks are entirely obliterated, it is impossible to sort *after* landing, but consignments can with ease be separated if care be taken *in* landing.

The Commissioners have a system of refusing to give receipts for goods as they come over the ship's side; they wait until they are in the shed and sometimes no receipt is granted for three or four days after landing. The Committee contend that the Commissioners are also bound to sign for the *number* of packages they receive and to be responsible for that number. If the marks are not clear, or the packages are damaged, the receipt should say so.

If goods are to lie at the jetty without receipt, and the ship is not to have watch-men to protect her (*vide* bye-law 11), there are people at the jetties unscrupulous enough to take advantage of this bye-law.

No. 20. Overtime is the source of much bad work. Men idle just before closing hours on purpose to obtain overtime fees. There should be a night work establishment, and the number might be easily regulated to

escape loss with the experience the Commissioners have now had.

No. 22. The working hours should, in the Committee's opinion, be from 7 A. M. to 5 P. M. from November to February inclusive, and to 6 P. M. for the rest of the year. To cease working at 4 P. M. is to do so at the busiest hour of the afternoon, and far too early for both importers and exporters.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 24th September 1877.

The Committee of the Chamber of Commerce received with your office memorandum No. 1439 of 22nd May last a copy of the amended bye-laws of the Port Commissioners and other papers in connection therewith, with a request for the Chamber's opinion on the proposed alterations.

That opinion was communicated on the 21st June; but the Committee apprehend that the remarks submitted by them have been overlooked, as they observe that the Gazette of the 19th instant contains a notification under which the bye-laws are published without any alteration of those originally proposed by the Port Commissioners except as to the working hours regulated by No. 22.

The Committee submit that their suggested amendments of bye-laws affecting the interests of all who have to do business at the Commissioners' Jetties were sufficiently reasonable and befitting to admit of their introduction and application to the traffic at the Jetties, and they regret

to find that the original regulations have been confirmed by the official notification referred to.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 15th October 1877.

I am directed to acknowledge the receipt of your letter dated the 24th September last, in which it is stated that the Committee of the Chamber regret to find that, with the exception of the alteration in the working hours, the amendments suggested by them of the revised set of bye-laws proposed by the Port Commissioners for the landing and delivery of goods at the jetties have not been adopted.

2. In reply, I am to forward, for the information of the Committee of the Chamber, a copy of letter No. 2194 of 5th September last, and of its enclosures, from the Port Commissioners, and to say that it appears to the Lieutenant-Governor that the Port Commissioners show good reasons for maintaining the bye-laws as framed by them, and that it will be observed that in several particulars the wishes of the Committee are practically met by the bye-laws in question.

3. With reference to the Chamber's expression of regret that the original regulations have been confirmed by the official notification which appeared in the Gazette of the 17th September, I am to explain that the notification in question only published the proposed bye-laws for general information, as required by section 83 of Act V (B. C.) of 1870.

No. 2194, dated Calcutta, the 5th September 1877.

From—W. D. BRUCE, ESQ., C. E., Vice-Chairman to the Port Commissioners,

To—The Secretary to the Government of Bengal, General Department.

I have the honor to acknowledge receipt of your letter No. 2536 of the 31st August 1877, and in reply to forward herewith a copy of the report of Sub-Committee appointed by the Commissioners to consider the alterations suggested by the Chamber of Commerce in the amendments of the jetty bye-laws submitted for sanction with this office letter No. 575, dated 15th May last, and the remarks of the Jetty Superintendent and of myself on the same.

2. The report of the Sub-Committee was adopted by the Commissioners at the 223rd meeting.

Report of Sub-Committee appointed in terms of Resolution No. 3, passed at the two hundred and twenty-second Meeting to consider the amendments in the Jetty Bye-laws proposed by the Chamber of Commerce.

PRESENT:

H. A. COCKERELL, ESQ. | R. STEEL, ESQ.
T. H. WORDIE, ESQ. | J. D. MACLEAN, ESQ.
W. D. BRUCE, ESQ.

The Sub-Committee met on Friday, the 20th July 1877.

After a careful consideration of the amendments proposed by the Chamber of Commerce and the remarks of the Vice-Chairman and Jetty Superintendent, with

reference thereto, we recommend that Jetty Bye-laws Nos. 1, 4, 6, 7, 12, 14, 15, 16, and 20 should stand as originally framed by the Commissioners.

We are of opinion that bye-law No. 22 should be amended so as to meet the increasing demand for jetty accommodation, and that the working hours, which at present are from 7 A.M to 4 P. M., should be made from 6 A.M to 6 P.M. all the year round. To meet the cost of establishment required to work regularly from 6 A. M. to 6 P.M., the amount charged for jetty hire should be increased from Rs. 20 per diem to Rs. 35. The cost of establishment for working before 7 A.M. and after 4 P. M. is now met by overtime fees charged against each vessel, so that the increased jetty hire proposed to be charged will not practically increase the amount now paid by vessels at the jetties.

We also recommend that from this increased jetty hire the Commissioners should undertake to pay all overtime fees for Custom House Officers to enable the Collector to provide sufficient establishment to keep all the jetty gates open from 6 A.M to 6 P.M. for receipt and delivery of goods without extra charge to the public. It is understood from Mr. Maclean that the cost of such extra establishment will not exceed Rs. 150 per month.

We have not considered the question of extra establishment to be employed for night-work. The Jetty Superintendent has been directed to submit a report on the subject, and the consideration of the question will be taken up when the report is received.

H. A. COCKERELL.
W. D. BRUCE.
T. H. WORDIE.

The fees, as earned at present, do not exceed Rs. 150 per mensem, but of course if the gates are open every day, the cost would be, as I showed in the memorandum of 1875, Rs. 400 per mensem. The meeting understood that the gates would not be open before 8 A. M. I believe.

J. D. MACLEAN.

I think that in view of Mr. Maclean's remarks, we might strike out of this report the sentence "It is understood from Mr. Maclean, &c." The fixed charges for vessels using the jetties will enable us to pay the customs officers' overtime without loss, even if it amounts to Rs. 400 per mensem.

R. STEEL.

As approved by the Commissioners at 216th Meeting held on the 1st May 1877.	Remarks and alterations suggested by the Chamber of Commerce on the proposed amendments.
No. 1.—The allotment of jetties shall be entirely at the discretion of the Commissioners, but, as a general rule, vessels shall be accommodated in the order of their arrival off the jetties. Vessels discharging or loading at the jetties shall move from one jetty to another when ordered.	No. 1.—The allotment of jetties shall be *in order of arrival of vessels within the limits of the port* as a general rule, but the Commissioners shall under special circumstances have power to order otherwise. Vessels discharging or loading at the jetties shall move from one jetty to another when ordered, free of charge to such vessels.
No. 4.—Ships lying at the jetties shall not discharge cargo into boats, if such cargo is to be subsequently landed on the Calcutta bank of the river between Chitpore Canal and Tolly's Nullah.	No. 4.—Government stores of ten come to Calcutta with a stipulation in bills of lading that goods are not to be landed on the jetties but into cargo boats. Owners and masters cannot tell where they are to be eventually landed, and this clause, as it stands, might cause great expense to a ship if both Government and the Commissioners stood upon their rights. It is, therefore, proposed that the rule be altered as follows :— Vessels lying at the jetties shall not without special permission discharge cargo into boats, if such cargo is to be subsequently landed on the Calcutta bank of the river between Chitpore Canal and Tolly's Nullah, *Government stores excepted.*
No. 6.—Single packages over three tons shall not be hoisted until the correct weight shall have been ascertained, and when packages weighing more than three tons are being hoisted, the Superintendent of the cranes shall invariably be present.	No. 6.—Single packages over three tons shall not be hoisted *until* the *approximate* weight shall have been ascertained *from the master of the vessel;* and when packages more than three tons are being hoisted, the Superintendent of the cranes shall invariably be present.

Remarks by the Jetty Superintendent on the alterations suggested by the Chamber of Commerce.	Remarks by the Vice-Chairman.
No. 1.—The italicised part of the Chamber's alteration of No. 1 bye-law is, I consider, inadmissible. I have repeatedly seen vessels a week within port limits before they could get up to the jetties. If the Commissioners can compel the steamers or vessels to tow up to the jetties and do the work with their own tugs, there would not be so much objection. Vessels are now moved from one jetty to another free of charge.	No. 1.—I think the rule should stand. Vessels have often to stop at the entrance of the port to discharge powder and inflammable oils.
No. 4.—The Chamber's remarks about Government stores are often applicable to private consignments for Howrah and other places beyond the limits of the port. All Government stores are not boated, the Stationery and Medical Departments seldom land by boat, as their godowns are close at hand. The Collector of Customs has stepped in to enforce No. 4 bye-law, for the preventive officer has instructions not to allow a boat to be loaded with overside cargo until the permission under bye-law No. 4 is obtained from the Jetty Office. This order of the Collector applies to Government stores as well. I consider the rule as altered would be putting too much power in the hands of a jetty official, and native consignees would not scruple to take advantage of it.	No. 4.—This rule has worked very well for the last seven years, and I see no occasion to alter it. Government stores are allowed to be put into boats, if they are for the mint or have to be landed south of Fort Point.
No. 6.—Approximate weights will never do, we must know definitely the weight if the jetty cranes are to do the work. It is not of so much consequence with the 30 ton crane. We can tell the weight by the water guage. I have known Captains give approximate weight as 4 tons when the weight was actually 6½ tons.	No. 6.—I think this rule might be omitted altogether. It is not now required.

As approved by the Commissioners at 216th Meeting held on the 1st May 1877.	Remarks and alterations suggested by the Chamber of Commerce on the proposed amendments.
No. 7.—Masters of vessels shall furnish special notice to the shed officers before landing packages containing articles liable to ignition or explosion, or which are otherwise dangerous.	No. 7.—Masters of vessel shall furnish special notice to the shed officer before landing packages *known to the said master to contain* articles liable to ignition or explosion, or which are otherwise dangerous.
No. 12.—No person unless duly permitted by the Commissioners shall take inside the jetty premises carpenters' tools or other instruments used for opening cases, and no cooper shall be allowed to work in the sheds without license from the Commissioners.	No. 12.—The Committee are of opinion that the coopers employed by the Commissioners *should be guaranteed by them;* and that the Commissioners shall license coopers in the employment of any firm who may wish to have their own work done by their own men.
No. 14.—Goods landed at the jetties shall only be delivered on production of the bills of lading accompanied by a delivery order from the master or agent of the vessel, and no delivery orders unsupported by the bills of lading will be accepted.	No. 14.—It is quite possible, indeed it is no uncommon occurrence, for bills of lading to be late, if not lost; and if the vessel is content to deliver cargo without those documents, the Port Commissioners should likewise consent. The Committee recommend the rule to run thus :— No. 14.—Goods landed at the jetties shall only be delivered on production of bills of lading accompanied by a delivery order from the master or agent of the vessel, and no delivery order unsupported by bills of lading will be accepted *without a guarantee from the consignees confirmed by the agent of the vessel.*

Laws.—(continued.)

Remarks by the Jetty Superintendent on the alterations suggested by the Chamber of Commerce.	Remarks by the Vice-Chairman.
No. 7.—Masters of vessels know so little about their import cargos now that they cannot be expected to give any information whatever. I see no reason why the rule should be altered as their home agents should inform them or send the list out here with the manifest, and that list should be filed in the shed, the mate keeping a copy for reference when slinging the goods in the hold.	No. 7.—I think the original rule should stand.
No. 12.—The Commissioners do not employ coopers. They are only permitted to work on their masters' application. There is only one cooper, who got a license through the Custom House Appraisers' Department certifying to the man's long service in the Custom House and his known respectability.	No. 12—Nil.
No. 14.—The Chamber's recommendation may be adopted by adding the word "stamped." Guarantee up to a limit the Commissioners may fix, but I consider the deposit system at present in force the only safe one for large consignments.	No. 14.—It has always been the practice to deliver the goods on a guarantee. At the 199th meeting this question was considered by the Commissioners, when the following resolution was passed:—"Resolved."—That the practice in future shall be to accept simple stamped guarantees from parties applying for delivery for sums under Rs. 2,000 at the discretion of the Vice-Chairman, and for sums above that amount only on a guarantee signed by the applicant and accepted by a Bank, or on deposit of the value of the goods.

As approved by the Commissioners at 216th Meeting held on the 1st May 1877.	Remarks and alterations suggested by the Chamber of Commerce on the proposed amendments.
No. 15.—When discharging fron drainage pipes or other goods, which, from their want of description or want of proper distinguishing marks, there will be difficulty in delivering correctly to consignees, the master of the vessel shall separate, before landing or in course of landing, the various marks and consignments, failing which the Commissioners will refuse to receive the goods.	Nos. 15 & 16.—These are very objectionable clauses. If the jetty authorities will not receive the packages, what is to become of them when the ship is bound to land at jetty? As the jetty authorities actually land the cargo, they can as easily sort such goods from the ship as a master can afterwards, when the confusion has been increased by remixing goods in the jetty compound. If marks are entirely obliterated it is impossible to sort *after* landing, but consignments can with ease be separted if care be taken *in* landing.
No. 16.—When iron drainage pipes or other goods from their want of description or want of proper distinguishing marks or from any other cause are landed in a mixed condition, the master or agent of the vessel will be allowed two clear days to sort and make over the goods to the Commissioners, and until the goods have been made over and the usual receipt granted they will remain on the wharf at the risk of the vessel. Such goods, if not made over to the Commissioners within the two clear days, will at the expiration of that time be subject to wharf *rent* at the schedule rates, the rent incurred being payable by the vessel. After receipt of such goods by the Commissioners, consignees will be allowed two clear days to take delivery before incur-	The Commissioners have a system of refusing to give receipts for goods as they come over the ship's side; they wait until they are in the shed, and sometimes no receipt is granted for three or four days after landing. The Committee contend that the Commissioners are also bound to sign for the *number* of packages they receive and to be responsible for that number. If the marks are not clear, or the packages are damaged, the receipt should say so. If goods are to lie at the jetty without a receipt and the ship is not to have watchmen to protect her (*vide* Bye law No. 11) there are people at the jetties unscrupulous enough to take advantage of this Bye-law.

Laws.—(continued.)

Remarks by the Jetty Superintendent on the alterations suggested by the Chamber of Commerce.	Remarks by the Vice-Chairman.
Nos. 15 & 16.—Practically we do not refuse goods; at least, we permit the landing of mixed goods at the vessel's risk and expense under the control of the Custom House authorities, but the Commissioners cannot grant a receipt or take the responsibility of delivering until mixed goods are assorted by the ship's people. The jetty authorities *do not actually land the cargo;* the landing solely depends on the slinging in the hold by the stevedore under the control of the ship's officers. These men can get or keep a record of the position in which each lot of iron or similar goods is placed in the vessel at the port of shipment, and make that record most useful here in the *landing*, but they must watch the stevedore's men in the hold. Some shipmasters, wishing their cargo quickly discharged, deliberately mix the goods in the hold, putting iron of the same class or description, but of different qualities and stowed separately in the hold, into the one sling. That I have seen many times; the slings are made up from before and abaft the hatchway, and sent up as one lot. Let those who neglect to keep records and deliberately mix goods take the risk and responsibility of assorting for delivery, and let them take care in landing. The jetty authorities deposit the iron lot by lot as the vessel's officers give notice of each lot being completed, and only bundles are kept separate from the bars of that lot, and round, square, and flat bars are counted separately. Would the Chamber say what system is in force in granting receipts for goods going overside into boats? Do ships' officers get receipts as goods go over the side. They fill the boat and then perhaps get the	Nos. 15 & 16.—These are not new rules. They have been in force for years, and when originally passed were proved by the Chamber. No. 16 passed in July 1874, sometime after No. 15 was framed, with the object of allowing consignees longer time for taking delivery and saving them from wharf rent charges. It allows two clear days to the ship to sort and deliver the goods, and makes the master liable for wharf rent after that time till the goods are sorted and made over to the Commissioners. Before this rule was passed we could not get the officers of vessels to give any assistance in sorting iron, &c. *See* note at page 166 of Volume V.

As approved by the Commissioners at 216th Meeting held on the 1st May 1877.	Remarks and alterations suggested by the Chamber of Commerce on the proposed amendments.
ring wharf rent charges. This exemption shall not be extended to goods the consignees of which refuse or neglect to forward their invoices within 24 hours after the vessel commences to discharge.	
No. 20.—The special sanction of the Commissioners shall be necessary to work the jetties before and after regular hours, and on Sundays and authorized holidays; and no overtime work shall be performed by any of the servants of the Commissioners without permission. In order to facilitate the discharge of vessels they will be allowed to work on holidays so long as accommodation can be conveniently provided for cargo in the jetty sheds, on payment of double jetty hire and the usual overtime fees to the establishment employed.	No. 20.—Overtime is the source of much bad work; men idle just before closing hours on purpose to obtain overtime fees. There should be a night work establishment, and the number might be easily regulated to escape loss with the experience the Commissioners have now had.
No. 22.—Working hours shall be from 7 A. M. to 4 P. M. All fees for overtime work and for working on holi-	No. 22.—The working hours should in the Committee's opinion, be from 7 A.M. to 5 P.M. from November to February inclusive, and to 6 P.M. for the rest of the year.

Laws.—(continued.)

Remarks by the Jetty Superintendent on the alterations suggested by the Chamber of Commerce.	Remarks by the Vice-Chairman.
receipt. In London the shed is filled, and then *when all cargo is landed* the ship gets a receipt. When unmarked boxes or bales or large packages are landed, a receipt is always given for the *number* of such packages and the Commissioners are responsible, for they know there cannot be a mistake in the delivery if the goods on appraisement correspond with the applicant's invoice. There is no objection to a watchman being placed over iron or packages lying outside the sheds. The police have notice of it and watch the iron.	
No. 20.—The Chamber's remark on overtime seems to be confined to the interests of consignees passing out goods. Now the jetty officials do not get a pice of overtime if the goods on carts can be passed out before 6-15 P.M. The Custom House people may "idle just before closing time on purpose to obtain fees." In the case of exports our assistants' overtime fees after 6-15 P.M. amount for four men to Re. 1-5-6 per hour. After working all day they are seldom very anxious to idle in passing in goods for an hour to obtain from 3 to 7 annas each. The difficulty is to get our assistant to stop to work overtime. The Commissioners now get a fixed fee of Rs. 2 an hour. I agree with the Chamber in regard to the night work establishment, and will, if required by the Commissioners, submit a scheme by which the day men will be entirely relieved of night work.	No. 20.—I have asked the Jetty Superintendent to submit the proposed scheme. I think it is desirable to have an Assistant Superintendent specially for night work, but I cannot see how we could manage to keep up a complete establishment for night work, as there is no regularity in the number of vessels that work.
No. 22.—The working hours at the discharge of vessels should be from 6 A. M. to 6 P. M. all the year round and the jetty hire should be raised from Rs. 20	No. 22.—I agree with the Jetty Superintendent at present when several vessels are in the port waiting for jetties. The

As approved by the Commissioners at 216th Meeting held on the 1st May 1877.	Remarks and alterations suggested by the Chamber of Commerce on the proposed amendments.
days shall be regulated by the sanctioned pay of each employé. The rule shall be one and half hour's pay for one hour's work, working days being calculated at 26 days in a month; and for holidays or part of a holiday one day's pay. All fees for overtime work shall be paid to the Commissioners.	To cease working at 4 P.M. is to do so at the busiest hour of the afternoon, and far too early for both imports and exports.

Laws.—(concluded.)

Remarks by the Jetty Superintendent on the alterations suggested by the Chamber of Commerce.	Remarks by the Vice-Chairman.
to Rs. 32 a day. It hampers the work very much giving shipmasters the option to work from 7 A. M. to 4 P. M. when it suits them, and entails a loss of the best three hours or, say 2½ hours each day to the Commissioners. Actual working hours for receiving export cargo are from 6-45 A. M. to 6-15 P. M. without fees.—11¼ hours a day. Working hours for delivering imports are regulated by the Custom House authorities, viz. 10 A. M. to 5 P. M. The Commissioners' servants are present to do work until 6-15 P. M., if importers and exporters' sircars are present to do the work.	*Golden Fleece*, at No. 2, is only working from 7 to 4, losing three good hours daily and delaying to this extent the discharge of other vessels.

Port of Gibraltar:—Tobacco Trade with Calcutta.

Since the year 1705 the Port of Gibraltar has been entirely free from the imposition of duties on imported and exported merchandise, and a proposal by Her Majesty's Government to introduce a law for regulating its Customs, Trade, and Navigation created a strong feeling of opposition to a measure which threatened to place restrictions on the freedom hitherto enjoyed by its inhabitants, who at a public meeting held about a year ago passed resolutions condemnatory of the contemplated legislation as injurious to their interests.

The Gibraltar Exchange Committee brought these matters to the notice of the Chamber, as it was apprehended that the tobacco trade between that Port and Calcutta would be materially affected by the new regulations, and in the hope that their efforts to prevent the adoption of the scheme would be seconded by those who were interested in the export of tobacco from this port.

Your Committee were unable however to co-operate as desired, because it appeared to them that the object of the proposed Ordinance was directed rather against illegal traffic in tobacco than as a restriction upon legitimate trade.

From Gibraltar Exchange Committee to Chamber of Commerce.

Gibraltar, 12th March 1877.

As representing the Commercial Community of this Port, we beg to bring before the notice of your Chamber, the outline of a scheme proposed by the Colonial Government, which if carried out, will impose very serious restrictions on our trade and the freedom of our Port, a privilege which we have enjoyed for a period of more than 170 years.

The article most affected by these new regulations is Tobacco, of which leaf we have of late years drawn very large supplies from your Port as the following figures will show.—

Shipments of Bengal Tobacco from Calcutta to Gibraltar direct by P. and O. Steamer, from October 1873 up to present date, ...	27,380 bales.
Reshipments of Bengal Tobacco from London, Marseilles &c., to Gibraltar during same period, ...	9,700 „
Total ...	37,080 bales.

We have through our representatives in England obtained a promise from the Secretary of State for the Colonies, that ample time will be given, before putting into force this ordinance, to allow of objections being heard from all interested parties, and believing that the subject is one of importance also to your community, we shall be glad if you can aid us in any way in our efforts to dissuade Her Majesty's Government from carrying out their scheme.

Extract from the report of the proceedings of a Public Meeting of the Inhabitants of Gibraltar held in the Exchange on Thursday March 8th, 1877.

The Chairman then referred to an interview held with H. E. the Governor in which the details of the proposed changes were communicated to him and stated that the Exchange Committee had that morning received a letter from the Colonial Secretary, enclosing a memorandum explanatory of the provisions of the proposed Customs Ordinance, in anticipation of the publication of the draft Ordinance in the usual manner, for general information, which he read as follows :—

1. The proposed Ordinance will contain provisions for regulating the Customs, Trade and Navigation of the Port and Waters of Gibraltar, and to enable Her Majesty's Government to obtain an account of all goods imported into or exported from the Port.

2. To secure these objects masters of vessels will on arrival be required to report their ships and cargo, and before shipping cargo will be required to enter the same outwards, and clear their vessels before leaving the Port.

3. These documents will belong to the Crown, and will not be accessible to private individuals, and the Government Officials will be forbidden to furnish the information contained therein to any person whatever.

4. The Ordinance will provide for the importation and the exportation of tobacco, cigars, and snuff only in whole and complete packages of 80 lbs. net weight, and in ships of not less than 100 tons burthen.

5. Upon the exportation of these articles the exporter

or his agent will be required to give a bond, with one surety to produce a certificate of the landing of such articles at the place to which they are exported. Tobacco will be prohibited to be removed from Gibraltar by land except in such small quantities as may be allowed by regulations to be issued by His Excellency the Governor. But special rules will be framed permitting tobacco, &c., to be shipped in less quantities as stores.

6. Hulks intended to receive dutiable and restricted goods must be specially approved for that purpose, and will be under Customs control.

7. Lighters and boats to be used for the conveyance of goods to and from ships must be specially approved for that purpose.

8. The cargoes of ships must be landed within thirty days, except in cases of ships derelict or driven in by stress of weather, but the Governor may relax this regulation when he may see fit.

9. The usual penal sections for non-compliance with the regulations are framed on the English model, and power is given to the Governor to remit or reduce penalties or fines, and release persons committed to gaol.

10. No duties are imposed by this Ordinance and, excepting tobacco, cigars and snuff, no special regulations are required in respect to any goods save their due entry and clearance.

The following resolutions were then proposed and carried unanimously:—

Proposed by J. A. Crooks, Esq., and seconded by Judah

Levy, jun. Esq., "That it is the opinion of this Public Meeting of the inhabitants of Gibraltar that any legislation which has for its object to impose conditions and restrictions on any branch of trade, for the purpose of protecting the Revenue and Monopolies of a foreign Government, is unprecedented, opposed to the principles of free trade, at variance with international law, and with the legislation of Great Britain; in matters of commerce, and as regards this city specially is contrary to the provisions of the Order in Council of her late Majesty Queen Anne, dated the 7th February 1705, which declared Gibraltar to be a free port, and enacted that no duty or imposition should be levied on any merchandize imported into, or exported from Gibraltar, which Order in Council the inhabitants of Gibraltar understand is still in full force."

Proposed by Y. Bergel, Esq., and seconded by Henry Thornton, Esq., "That the inhabitants of Gibraltar firmly believing that the freedom of this Port, and of its trade, as conceded to it by Queen Anne's Order in Council, was, and would continue to be in force, have invested large sums of money in the erection of houses and stores in this city, and a very considerable portion of inhabitants being dependent for their subsistence on the trade which is now carried on here, this Meeting is of opinion that the contemplated enactment would, if put into force, very seriously affect the landed proprietors, and the trading portion of the community, and that the object of such legislation, namely, to foster and uphold the Revenue of a foreign State, is at variance with the enlightened policy of Great Britain, in the regulation of Commercial matters."

Proposed by J. H. Recano, Esq., seconded by Richard Abrines, Esq., "That it is the opinion of this Meeting that the contemplated legislation of Her Majesty's Government relative to the trade of Gibraltar, as far as the particulars of the same have become known to the public, is calculated to interfere with the Freedom of the Port, and to be seriously injurious to the interests of the community. And this Meeting, with a view to dissuade Her Majesty's Government from carrying into effect the proposed legislation, gives full power and authority to the Exchange Committee to act on behalf of the public in the matter, and to incur any necessary expenses to this end from funds to be raised for the purpose by public subscription."

From Chamber to the Exchange Committee, Gibraltar.

Calcutta, 19th July 1877.

The Committee of the Bengal Chamber of Commerce desire me to acknowledge the receipt of your letter of 12th March, and to apologise for the delay unavoidably occasioned in replying to it.

2. You bring to their notice the provisions of a proposed Ordinance of Her Majesty's Government for regulating the Customs, Trade, and Navigation of the Port and Waters of Gibraltar, and for obtaining trustworthy statistics of imported and exported merchandise.

3. You also draw attention to certain Resolutions adopted at a Public Meeting of the inhabitants of Gibraltar, by whom the proposed legislation is held to be at variance with the commercial freedom which the Port has

enjoyed for upwards of a century and a half, and detrimental to the interests of the trading portion of its community.

4. In connection with those interests you refer specially to the injurious effects which the contemplated regulations will have on one of the principal articles of your local traffic—*viz.*, Bengal Tobacco imported from Calcutta; and in the belief that that item of our export trade may be prejudicially influenced thereby you are good enough to invite this Chamber's co-operation in your efforts to arrest a movement uncompromisingly condemned by the community of Gibraltar.

5. The subject of your reference has been considered with the careful interest naturally attaching to an article of Indian industry, the development of which, as one of the economic products of Bengal, has been receiving the special attention and encouragement of Government; and the foreign demand for a portion of the annual tobacco crop, as a legitimate means of stimulating its increased cultivation, has not been disregarded by the Committee in discussing the question before them.

Although the exports of unmanufactured Bengal Tobacco are not likely to be sensibly affected by the measures to which you object—the quantity shipped to your Port being but a very small percentage of the total export from Calcutta—the Committee of this Chamber have not allowed that fact to have any weight with them in deciding, as they have done, that they cannot move in the direction you suggest. They have been influenced rather by the views expressed in the Colonial Secretary's reply to the Liverpool Chamber's memorial on your behalf. As

it clearly appears from this document that the Ordinance is directed against smuggling and not against legitimate trading, the Committee feel that, with every desire to assist your Chamber in preventing any unnecessary restrictions being placed on the trade of your Port, any hostile movement towards the proposed measures on their part would probably be liable to misconstruction. They regret therefore that they do not see their way to accompany you in your remonstrance against the requirements of the Ordinance.

Official Publication of Weather Reports.

In compliance with the Committee's request His Honor the Lieutenant-Governor was pleased to order the publication in the Government Telegraph Gazette of reports of rain-fall received from the several districts of Bengal.

The issue of these reports commenced last August, and as there can be no doubt of their utility the Committee hope to see them continued for general information.

From Chamber to Supdt. Telegraph Dept.

Calcutta, 15th June 1877.

With reference to your letter of 23rd September last, and my reply thereto of 11th October, regarding the continued publication of weather reports in the *Telegraph Gazette*, I am directed to express the hope of the Chamber

of Commerce that it is the purpose of Government to obtain that information and publish it in the interests alike of the State and of the commercial public.

It will be seen from the accompanying printed copy of an order of the Government of the N. W. Provinces that the rise and fall of the Ganges at Mirzapore and Benares will be telegraphed daily from Benares to Allahabad, and the insertion of that information in the *Telegraph Gazette* will be of much public advantage.

Calcutta, 27th June 1877.

With reference to your letter of the 15th instant, I have the honor to inform you, I am desired to state that in reply to a similar reference made by the Chamber of Commerce in 1869 the Government of India replied that the weather reports were obviously for the benefit of the mercantile community, who might well be expected to bear the cost. The resumption of their free publication during the pressure of the Bengal famine was a temporary measure.

2. With regard to your enquiry about the publication in the *Telegraph Gazette* of telegrams conveying information about the rise and fall of the Ganges, I have the honor to inform you they are paid for in the ordinary course.

Calcutta, 6th July 1877.

The Committee of the Chamber of Commerce have received your reply of 27th ultimo to their reference of the 15th, and they desire me to request you will be so good as to say what amount of information regarding weather

reports, &c., can be published in the *Telegraph Gazette* and what the monthly charge would be.

Calcutta, 16th July 1877.

I have the honor to acknowledge the receipt of your letter dated the 6th instant. In reply, I am requested to state that if the Chamber of Commerce will arrange for paid weather messages to be sent by its own Agents from such stations as it considers necessary, and if the Chamber desires and authorizes it, such reports will be published in the *Telegraph Gazette* without charge.

From Chamber to Government of Bengal.

Calcutta, 25th July 1877.

The Committee of the Chamber of Commerce have been in communication with the Superintendent of Telegraphs, Bengal Division, regarding the publication in the *Telegraph Gazette* of official reports of the state of the weather at certain selected stations most convenient for the purpose in view, and of the rise and fall of the Ganges at Benares and Mirzapore; and in reply to a recent reference on the subject the Superintendent informs the Committee that if the Chamber "will arrange for paid weather messages to be sent by its own agents from such stations as it considers necessary, and if the Chamber desires and authorizes it, such reports will be published in the *Telegraph Gazette* without charges."

The Committee unfortunately cannot avail themselves of this offer, because the Chamber has no Agents of its own who can furnish the required information, nor is it in

a position to organise a system by which such information can be supplied.

Although the commercial public may be regarded as chiefly and primarily concerned in these reports—the prospects of trade being more or less influenced by probable outturn of harvests &c.,—the importance of them is not limited to merchants only, and the establishment of its Meteorological and Statistical Department is evidence of the desire of Government to possess trustworthy returns of the character of the weather, state and prospects of crops, condition of the people, public health, and so on ; and in these varied respects that Department receives from all parts of Bengal, from Assam, Cuttack, Akyab, Chittagong and other places, both by post and by telegraph, official reports which are published weekly in the *Calcutta Gazette* for general information.

That being so, and the returns asked for by the Chamber being within the competence of Government to furnish them by means of the organised arrangements referred to, the Committee trust His Honor the Lieutenant-Governor will not withhold that which can be so readily given, but is at the same time beyond their own power to obtain.

These weather reports were formerly published, by order, at the Chamber's request, but were for some time discontinued, and resumed, for obvious reasons, during the famine of 1873-74.

The apprehension however of a chronic condition of distress in some part or other of India, from deficiency or destruction of crops, and the consequent dependence on other places for supply of food for the people,—and to provide specially against recurring calamities of the

kind a portion of the ordinary revenue of the State is to be appropriated annually,—renders it a matter of permanent necessity to continue the statements.

The subject is of commanding interest alike to the Imperial and Provincial Governments; and in order that the commercial public be kept constantly advised and prepared to act as occasions may arise the Committee trust His Honor will comply with their application.

From Government of Bengal to Chamber.

Calcutta, 31*st July* 1877.

I am directed to acknowledge receipt of your letter, dated the 25th instant, asking apparently that daily reports of rainfall may be supplied by this Government for publication in the *Telegraph Gazette*. In reply I am to point out that several of the stations from which the Chamber wish to obtain information are not subordinate to this Government. As regards the stations belonging to Bengal, I am to remark that at present reports are received from all districts, for the week ending on Saturday, which are published in the *Calcutta Gazette* of the Wednesday following.

On Thursday telegraphic reports are received from 21 stations giving the rainfall for the week ending on Wednesday. These are published in Saturday's Gazette of India. It will thus be seen that in fact bi-weekly reports are already furnished to the public.

2. The Lieutenant-Governor thinks that as the rainfall generally throughout Bengal has been sufficient for the present (except perhaps in Shahabad and parts of Gya

districts where irrigation works are available to protect large tracts), it is not necessary for this Government to obtain any special daily reports in addition to those now published.

From Chamber to Government of Bengal.

Calcutta, 4th August 1877.

The Committee of the Chamber of Commerce desire me to acknowlage the receipt of your letter No. 2329 of 31st ultimo in reply to their application of the 25th, and in again bringing the subject of their reference to notice they instruct me to remove the apparent misapprehension under which His Honor the Lieutenant-Governor did not consider it necessary to grant their request.

The Committee did not of course wish to put the Government to the inconvenience of obtaining *special daily reports in addition* to those published weekly in the two *Gazettes*, but that the weather reports might be communicated *as soon as received*, and the delay involved in publication in the *Gazettes* thereby avoided.

The Committee proposed the *Telegraph Gazette* as the most convenient channel for that purpose as it is probably more generally subscribed to than the *Gazettes of India* and *Calcutta:* but if the returns were given in a tabular form and published in the daily papers the object would be obtained equally well.

The Committee trust His Honor, on reconsideration of the question, will be pleased to sanction the arrangement.

From Government of Bengal to Chamber.

Calcutta, 6th August 1877.

With reference to your letter of the 4th instant, I am directed to state for the information of the Chamber that the Lieutenant-Governor has no objection to supplying the *Telegraph Gazette* with the reports of rainfall as daily received from the several districts in Bengal. Printed slips containing these reports will be forwarded from this date for publication in that *Gazette.*

From Chamber to Government of Bengal.

Calcutta, 9th August 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2473 of the 6th instant, and to request you will be so good as to place before the Honorable the Lieutenant-Governor this recognition of His Honor's compliance with their request for the publication of weather reports in the *Telegraph Gazette.*

The following subjects require no particular remarks to recommend them to the attention of members.

Delivery of Railway Traffic at Howrah.

From Chamber of Commerce to E. I. Railway Co.

Calcutta, 1st September 1877.

The Committee of the Chamber of Commerce desire

me to submit for your consideration that if the working arrangements of the railway have been relieved from the severe service to which they have been subjected by the extraordinary traffic developed during the last few months, and if the pressure is sensibly slackening, the limited time now allowed for taking delivery at Howrah should be extended to the 48 hours previously assigned for that purpose, and your normal arrangements ultimately reverted to.

I am also to represent that all cargo intended for shipment direct from Howrah should, if possible, be brought to the terminus, as delivery at Bally involves great inconvenience and expense to merchants.

The Committee therefore trust you may be in a position to permit the former conditions of traffic to be resumed.

From E. I. Railway Co. to Chamber of Commerce.

Calcutta, 14th September 1877.

I am desired to acknowledge receipt of your letter of the 1st instant on the subject of the rules for demurrage and delivery of goods at Howrah.

In reply I am to inform you that the Agent does not feel prepared, so long as the present circumstances last, to return to the old rules. Our present rules have reduced the average time during which goods lie on our ground from 2½ days to one, which is a most important advantage. The rules are not made use of as a source of revenue, but have led to much more carefulness on the part of all concerned, and have enabled us to get through heavy work with ease and order, with few mistakes and much less risk of loss.

In reply to your remark as to the inconvenience and expense to merchants involved in the practice of delivering shipment goods at Bally, I am to observe that no goods intended for Howrah have been sent there since the 31st ultimo.

From Chamber of Commerce to E. I. Railway Co.

Calcutta, 3rd October 1877.

Your letter No. 12655 of 14th of last month was submitted to the Committee of the Chamber of Commerce, and, by their direction, I acknowledged it in a personal interview with Mr. Leslie a few days ago, when I represented the Committee's views on the subject of time allowed for removal of goods from the Howrah Station.

But Mr. Leslie was unable to entertain the proposal for reverting to arrangements in force before the Company's Notice of 29th June, and his decision was duly communicated to the Committee.

I am desired by them to resubmit the matter for the Agent's consideration, as it appears to the Committee that the time has arrived when what they ask for may be readily conceded without any apprehension of delay in the removal of consignments.

The following suggestion is offered in the belief that its adoption will facilitate delivery of goods—the object so much desired by the Agent.

The way-bills simultaneously transmitted by post to the Company and consignees in Calcutta no doubt specify the number of each wagon, and if the numbers of wagons were telegraphed from Raneegunge, or some other

more distant station convenient for the purpose, to Howrah, and each number posted on a public Notice board as soon as received, consignees or their representatives would have so much earlier notice and arrange to take delivery without loss of time.

From the East Indian Railway Co. to Chamber.

Calcutta, 14th December 1877.

Reply to your letter of the 3rd October last on the subject of the rates and regulations for demurrage on goods at Howrah has been delayed in consequence of the intervention of the holidays and the wish of the Agent to discuss the question personally with the Officiating Traffic Manager.

Mr. Leslie has now had an opportunity for such discussion, and desires me to say that, in the present state of affairs at Howrah consequent on the re-arrangements of the goods premises and lines and the enlargement of the sheds now in progress, he does not see his way to any relaxation of demurrage charges. We have not at present proper warehouses, and all delay on our ground is liable to give rise to risk and confusion.

Increased size & weight of bags of grain & seeds impeding delivery by railway.

From E. I. Railway Co. to Chamber of Commerce.

Calcutta, 8th August 1877.

The Agent has received serious complaints from the Traffic Department and from the Company's labor contractors as to the increasing size of the bags used for packing grain and seeds.

With a view to check this tendency it has been proposed to decline to allow the benefit of the present low rates for carriage in respect of any produce in bags where the bags with their contents weigh more than 2 maunds 3 seers each.

It is believed that the merchants in Calcutta themselves feel the inconvenience of the increased weight of each bag, which is at present more than an average coolie can carry and not sufficient to fully utilize the powers of two men, and would be willing to revert to 2 maund bags if concerted action could be taken.

The Agent would be glad to know whether the Chamber think it will be well if the Railway Company take the initiative in the matter as proposed.

From Chamber of Commerce to E. I. Railway Co.

Calcutta, 9th August 1877.

The Committee of the Chamber of Commerce have had under consideration your letter of yesterday's date, and

they direct me to state, in reply, that the question which the Agent has been good enough to submit to them is one which, in their opinion, should be disposed of according to his own judgment; and the only proviso they suggest is that notice of 2 to 3 months should be given to enable shippers of produce to fulfil their contracts and prepare themselves for the proposed withdrawal of the beneficial terms on which their produce is now carried by railway to Calcutta.

Stocks and Consumption of food grains in Madras Famine Districts.

From Chamber of Commerce to Govt. of India.

Calcutta, 29th June 1877.

The Committee of the Chamber of Commerce have observed in to-day's papers, with considerable concern and interest, the essential portions of a reported correspondence between the Supreme Government and the Government of Madras relative to the famine districts of that Presidency, the prices of food grains, and supplies necessary to maintain adequate stocks for the requirements of the people dependent on Government aid.

But there are some points which do not appear to have been touched upon, and the Committee bring them to notice in the hope that Government will furnish such information as may place private trade in a position to judge how far it may proceed in helping the State in its measures of relief: and with the view that merchants may have full confidence in operating to that purpose it

is submitted that the details of stock and of consumption at the various inland markets in the Famine Districts should be given with all possible publicity both in Calcutta and Madras.

Another material point in the judgment of the Committee is that a careful inquiry regarding the probable outturn of growing crops of food grains will enable the Government to arrive at an approximate estimate of the extent to which existing stocks should be supplemented by importations, from Bengal, Burmah &c; and it would be expedient to fix, if possible, after such inquiry a date at which it may be reasonably assumed that such importations might cease.

It appears to the Committee of the Chamber that unless some authoritative declaration in these respects be promptly made, the course of trade may be arrested by merchants discontinuing their shipments, and that the existing scarcity will be aggravated by the diminished supplies from this and other rice ports.

From Govt. of India—Telegram—to Chamber.

Calcutta, 6th July 1877.

Governor General in Council thanks Chamber for valuable letter of 29th ultimo, and will gladly afford all information procurable, but it must be remembered that ascertainment of existing stocks and estimate of outturn of growing crops on vast areas is most difficult. Government of Madras have been requested to ascertain and publish in Madras Government Gazette as regards each distressed district *first*, anything known about quantity of local stocks, *secondly*, the imports and exports of grain,

thirdly, the estimated daily consumption of food grain by the population dependent on each principal market, *fourthly*, the condition of the growing crops of food grains. Madras Government have also been told that similar information should be published fortnightly in future, and as crops reach maturity their probable outturn should be given as far as it can be roughly estimated. Chief Commissioner Mysore has been similarly requested. Government of India consider that importations on a large scale into the Madras Presidency may be expected to last until the reaping of the new harvest, that is September and October, and that if the harvest be good they will then probably return by December to their normal average.

From Govt. of India to Chamber of Commerce.

Simla, 7th July 1877.

In reply to your letter of the 29th ultimo I have the honour to enclose post copy of a telegram addressed to you yesterday, which His Excellency the Governor-General in Council trusts will meet the wishes and suggestions of the Chamber of Commerce. I am directed to add that His Excellency in Council feels considerable doubts whether district officers generally have as good means of ascertaining the extent of stocks and of estimating probable outturn of crops as are possessed by the up-country agents of mercantile firms, deeply interested in the issue and having access to many private sources of communication. In the case of district officers in the distressed districts of Madras, the difficulty will be enhanced by the multifarious and onerous duties now falling upon them.

From Chamber of Commerce to Govt. of India.

Calcutta, 14th July 1877.

The Committee of the Chamber of Commerce desire me to convey their respectful acknowledgment of the reply which His Excellency the Governor General in Council was pleased to transmit by telegraph on the 6th instant to their representation of 29th of last month, and to state that the full information therein communicated will serve in a very great measure to guide the operations of merchants who may be interested in supplaying the wants of the famine districts of Madras.

The Committee also desire me to thank you for your letter No. 585 of 7th instant They are quite sensible of the difficulties in the way of officers in those districts and would not desire to burden them with superadded laborious service; and probably the enterprise and industry of merchants will enable them to ascertain for themselves the information which the district officers would no doubt have cheerfully obtained had their present duties been less pressing.

The Committee further desire me to say that with the view to the largest publicity being given to the reply with which they have been honored they have requested the daily papers to publish the correspondence.

Importation and Storage of Inflammable Oils.

From Commr. of Police to Chamber of Commerce.

Calcutta, 15th August 1877.

I have the honor to forward for the information of the Chamber of Commerce, copies of the correspondence noted on the margin, regarding the importation and storage of inflammable oils within the Town and Port of Calcutta, together with a copy of the Rules passed by the Hon'ble the Lieutenant-Governor of Bengal under clause 3, Section 8 of Act III B. C. of 1865, and to state that owing to the restricted meaning hitherto attached to the word "inflammable" the rules have remained inoperative.

This office No. 1470 of 27th June 1877.
From Government Solicitor No 609 of 6th July (with Advocate General's opinion).
From Solicitor to Port Commissioners, dated 17th July 1877.

2. I request therefore that you will have the goodness to place the correspondence before the Chamber of Commerce, and favor me with an expression of their opinion whether they consider it necessary that more stringent measures should be adopted to regulate the storage of inflammable oils.

From Commr. of Police to Solicitor to Govt.

Calcutta, 27th June 1877.

I have the honor to request that you will favor me by taking the opinion of the Advocate General with regard to the definition of "inflammable oil" in connection with Act III of 1865.

2. It has hitherto been the practice to regard as inflammable only those oils or products of oils which "flash" at a temperature of less than 100 degrees Fahrenheit, and the Act above quoted has consequently remained practically a dead letter.

3. It occurs to me, however, that the definition intended to include Petroleum, Benzole and Kerosine, under all circumstances, as inflammable oils, adding to the category other oils which might flash at less than 100 degrees Fahrenheit.

4. If my reading of the definition be correct the police would be enabled to exercise an effective control, whereas at present enormous quantities of Kerosine and Petroleum are stored within the town and suburbs of Calcutta without let or hindrance.

5. As the matter is important I trust that I may be favored with an early reply.

From Solicitor to Govt. to Commr. of Police.

Calcutta, 6th July 1877.

With reference to your letter No. 1470 of the 27th ultimo, I have the honor to forward you herewith a copy of the opinion of the officiating Advocate General upon the question therein referred to.

OPINION.

I am of opinion that the construction put on the definition of inflammable oil in Act III of 1865 B. C. by Mr. Charles, Deputy Commissioner of Police, is correct. That definition is as follows:—

Inflammable oil includes *Petroleum, Benzole, Kerosine* and any other oil or product of oil that gives off an inflammable vapour at a temperature of less than 100 degrees of Fahrenheit.

Now in the first place it is to be observed that the meaning to be attributed to inflammable is not an exhaustive definition; it merely states what it includes, and as such it is doubtless of value in determining any question which might arise as to whether a particular oil is inflammable within the meaning of Act III of 1865. In the next place the meaning expressly includes Petroleum, Benzole and Kerosine; and the question which has arisen is whether the words which follow Petroleum, Benzole and Kerosine qualify the inflammability of Benzole, Petroleum, and Kerosine as limiting the characteristic of inflammability of such oils at a temperature of less than 100 degrees Fahrenheit, or whether, as the Deputy Commissioner would read these words, namely as adding to Petroleum, Benzole and Kerosine, other oils which might flash at less than 100 degrees Fahrenheit.

I have already observed that the latter is the proper construction. I gather that owing to the existing practice of limiting inflammability to oils which flash under 100 degrees Fahrenheit, Petroleum, Benzole and Kerosine have been taken out of the operation of the Act presumably on the ground that these oils flash at a degree greater than 100 degrees. This very circumstance shews that the reading of the definition according to the first of the two constructions above alluded to is inaccurate. It was never intended that the Act should be a dead letter with regard to Petroleum, Benzole and Kerosine from its very inception. The object of the Act was the prevention of in-

jury from fire likely to be caused by inflammable oil—*i. e.* by oil which under certain conditions of heat, and without being actually ignited by a substance brought into contact with it, inflames or goes off by what is properly called spontaneous combustion; and I have scarcely any doubt but that the Legislature considered Petroleum, Benzole and Kerosine oils of this description; and with reference to them it did not intend to denote that such oils should be out of the operation of the Act, if they did not flash under 100 degrees. The question as to the reason why the definition puts a limitation on some oils with regard to 100 degrees is one with which in constructing the plain words of an Act such as Petroleum, Benzole and Kerosine we are scarcely concerned.

From Solicitor to the Port Commissioners.

Calcutta, 17th July 1877.

The Vice-Chairman of the Port Commissioners has handed me your Memo No. 1588 dated 10th instant with copy of your letter to the Solicitor to Government and the officiating Advocate General's opinion on the points raised in your letter and he has directed me to call attention to No. 10 of the Rules of the Port of Calcutta passed under Section 7 of Act XXII of 1855 and which Rules are published in the "Calcutta Gazette" of 30th October 1872 Part 1 page 351, under which the Commissioners are virtually prohibited from detaining a vessel at the entrance of the Port if the Master delivers to the Pilot or Harbour Master or the Agent delivers to the Commissioners a certificate duly attested at the Port of shipment stating that the oil is not inflammable. The words inflammable oil have hitherto been treated as

applying to any oils which give off an inflammable vapour at a temperature of less than 100 degrees Fahrenheit and therefore if Petroleum, Benzole and Kerosine are certified as not flashing at a temperature of less 100 degrees Fahrenheit the vessels having such on board have been allowed to come into the Port. This rule is still in force and the Commissioners do not see how if the necessary certificate is furnished they can prevent the vessel having such oils on board coming into Port.

I am not aware what rules have been passed under Section 37 of Act XII of 1875 unless the "rules for the guidance of the River Police in the execution of their duties under the various Acts and bye-laws relating to the Port of Calcutta" on the rules. Rule 9 of these rules provides "that inflammable oil shall only be landed between sunrise and sunset in a covered cargo boat, and at Neemuch Mehal Ghat."

This rule would seem to allow vessels, having inflammable oils on board to come into the Port to be discharged.

Rules passed by the Hon'ble the Lieutenant-Governor of Bengal, under Clause 3, Section VIII., of Act III., B. C. of 1865, *entitled "An Act to make better provision for the prevention of injury from fire in Ports, and to provide for the safe keeping of inflammable Oils in Ports and places, within the Provinces under the control of Lieutenant-Governor of Bengal," dated the* 14*th August* 1865.

Rules for application for License of any building or locality for storing inflammable Oils.*

The Commissioner of Police of Calcutta, has been appointed by Government to be the Officer for licensing buildings, &c., under Section 9, Act III, B. C. 1863, within the Town of Calcutta.

Every application for the License of any building, for the purpose of storing therein inflammable Oils, shall specify the locality in which the building is situated, and the description of the building.

The Licensing Officer shall cause the locality to be visited, and the building to be inspected by a competent person, and, if satisfied with the report of such person, shall grant a License, subject to the following conditions :—

Inflammable Oils, in quantities exceeding forty gallons, shall not be located within the Town of Calcutta, or in any place, not approved by the Licensing Officer.

Every such building shall be constructed of masonry, with arched or terraced roofs, and with tiled, or paved, or earthen floors.

Every such building shall be separated by a clear space of 20 feet on every side from any other building.

Every building for the storage of inflammable Oils must either have all doorways and openings built up to a height of not less than 2 feet above the level of the

* I. E. Petroleum, Benzole, and Kerosine ; as well as any oil or product of oil which flashes under 100° Fahrenheit's thermometer.

road or street, or else the floor must be at least 2 feet below the surface of the road or street, in order to prevent the Oils flowing out of the building in cases of fire.

No merchandise or goods or any combustible materials shall be stored in any such building.

No cask or other receptacle, containing inflammable Oils, shall be opened, or the Oil drawn off, within such building.

No lighted candle, lamp or fire in any form, shall be permitted at any time within such building.

The Licensing Officer, or any Officer appointed by him, shall be allowed to enter all such buildings for the purpose of inspection, between the hours of 8 A. M. and 4 P. M.

The License may be cancelled if within one week of the receipt of a notice from the Licensing Officer, calling on the holder to repair such building, he shall fail to do so.

A fee of Rupees 16 shall be paid for every license granted under Section VIII. of Act III, B. C. of 1865, for the storage of inflammable Oils.

Rules for the grant of License for the removal of inflammable Oils from one place to another.

Application for Licenses for removal of inflammable Oils, in quantities exceeding 20 gallons, shall specify the description and quantity of Oil to be removed, and the

places from and to which, and the route by which the Oil is to be removed, and shall describe the receptacle in which the Oil is contained.

The License shall state the description and quantity of Oil to be removed, the place to and from which, and the route by which, and the receptacle in which it is to be removed, and the time for which it is granted.

All Oils thus removed, shall be conveyed in covered carts between the hours of 6 A. M. and 6 P. M.

A fee of one Rupee will be charged for the grant of each License.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 22nd September 1877.

The Committee of the Chamber of Commerce received on the 23rd ultimo your letter No. 1968 of the 15th idem, with papers referred to, regarding the importation and storage of inflammable oils within the town and port of Calcutta.

After considering the matter at their usual meeting the Committee directed the submission of the correspondence to the principal importers of the articles which form the subject of your reference, and they now desire me to place before you in original the replies they have received as the best means of answering your inquiry.

IMPROVEMENT OF INDIAN WHEAT.

No. 53.

From Govt. of India, to Chamber of Commerce.

Calcutta, the 14th March 1877.

Resolution No. 3950 dated 14th instant and the papers read therein.

In forwarding, for the information of the Bengal Chamber of Commerce, a copy of the papers noted in the margin, on the subject of the suggested improvements in the quality of Indian wheat, I am directed to draw attention to that part of the letter from a London merchant, inclosed in the Secretary of State's despatch No. 130, dated the 21st December 1876, in which he refers to the expediency of using blowing, winnowing and screening machines, and to the observation thereon contained in paragraph 3 of the Resolution of the 14th instant. I am to suggest that merchants would perhaps find it to their advantage to employ some such means for cleaning their consigments of grain before shipping them.

No.

Extract from the Proceedings of the Government of India in the Department of Revenue, Agriculture and Commerce, dated Calcutta, the — March 1876.

[AGRICULTURE AND HORTICULTURE.]

Read the following despatches from the Secretary of State:—

No. 130 (Statistics and Commerce), dated the 21st

December 1876, forwarding an extract from a letter from a merchant in London, on the subject of the qualities of Indian wheat which are most appreciated in the English market, and of the means by which the prices given for them might be raised, and drawing attention to the importance of the adoption of measures with a view to encourage the improved cultivation of this grain and to facilitate its transport to England in good condition.

No. 14 (Statistics and Commerce), dated the 18th January 1877, requesting that a compilation be prepared, showing the main features of the cultivation of wheat its consumption and export, the selling prices, the probable cost of transport; and that samples of the chief local varieties of the grain carefully named and described may be made and sent to England.

Read also the following papers showing the action taken by the Chief Commissioner of the Central Provinces, with a view to improving the quality of the wheat in those Provinces and preventing its admixture with other grains.

Circular No. 11, dated the 5th May 1876.

Extract, paragraph 3, from a circular, No. 25, dated the 4th August 1876.

Circular letter No. 3433-162, dated the 9th September 1876, and enclosures.

RESOLUTION.

OBSERVATIONS.—The development of the export trade in Indian wheat has long occupied the attention of the Government of India. In January 1873, on the representation of the Bombay Chamber of Commerce, who urged that the weight of the export duty and the length of the sea voyage practically disabled Indian wheat from successfully competing with any country in the English market, except perhaps California and Australia, the Government of India freed Indian wheat from all duty on export.

2. Since then, aided by various other circumstances, particularly the shortened transit through the Suez Canal, and recently the state of exchange, and perhaps to some extent the political condition of eastern Europe, the increase in the trade has been very great, as will be seen from the figures appended showing the quantity and value of the wheat exported to foreign countries :—

	Cwt.	Rs.
1871-72	637,099	23,56,445
1872-73	394,010	16,76,900
1873-74	1,755,954	82,76,064
1874-75	1,069,076	49,04,352
1875-76	2,498,285	90,10,255
1876-77 (first ten months)	4,839,290	1,67,34,001

Seeing that the quality of Indian wheat has commended itself to English millers, it may be hoped that with the advantages she now possesses, India will be able to maintain this important trade at a high level. But it must not be forgotten that this country has active and eager competitors in the United States, Southern Russia, Austro-Hungary, and Egypt, and that some of these

countries are naturally possessed of great advantages in the shipment of wheat to England. It is necessary, therefore, that the greatest care should be taken by every body interested in the trade, from the cultivator to the shipper, to prevent any cause for complaint regarding the quality of the grain exported.

3. It appears from the despatch No. 130, received from Her Majesty's Secretary of State, that complaints are now made of the dirty condition of Indian wheat received in England, as well as of its admixture with inferior grains. The Governor-General in Council desires that these papers may be circulated amongst district officers and published for general information. To some extent the complaints regarding the dirty condition of our wheat will diminish with the extended employment of the railways in its carriage to the port of shipment, in supersession of boats, and with the increased facilities of despatch from the port. A great deal may also be done by the trade in undertaking the cleansing and sorting of the grain before it is shipped. It would appear from a letter from the firm of Messrs. Scott, Finlay & Co. of Bombay to the Chief Commissioner of the Central Provinces, that in the present state of the market it would hardly be profitable to incur much expense in such cleansing and sorting. But probably with an increased demand for cleaned and sorted wheat, it will prove remunerative to set up winnowing and sorting machines of the kind referred to in the communication from Her Majesty's Secretary of State at the great centres of shipment, *viz.*, Bombay, Kurrachee, and Calcutta. In view of the poverty and ignorance of the agricultural community of India, the Governor-

General in Council does not consider that it would be expedient to suggest the employment in the rural districts of machines, the purchase of which would require capital which is probably not forthcoming, and the repair of which, when broken, could not be effected except at the Presidency towns. His Excellency in Council considers however that much may be done in the way of advice and instruction by district officers to impress upon the agriculturist the necessity of so treating his crop, after it has been reaped, as to keep it reasonably clean, and that such advice will be welcomed and acted upon by the cultivator in his own interest as soon as it is made clear to him that clean wheat will command a readier and better market than dirty grain.

4. The question of admixture of wheat with inferior grains, such as barley and gram, is a separate matter. It is not probable that the adulteration is altogether fraudulent. The truth is that the cultivating classes, who do not largely consume wheat themselves but the inferior grains, have hitherto been in the habit of sowing these inferior grains with their wheat in the same field, the object being to have some resource to fall back upon in the event either of failure in the wheat crop or of difficulty in selling it at a remunerative price. As long as circumstances operated against the development of a steady and sure trade in wheat, this practice of the cultivator could perhaps only be regarded as dictated by prudence. But circumstances have changed, and a practice which formerly was reasonable, has now no reason for continuance, and indeed its continuance will have an injurious effect on the cultivator. There seems little reason to doubt that the agricultural community will be ready to

modify this habit on becoming acquainted with the facts of the case, and that they may easily be persuaded either to cease to cultivate inferior grains in the same field with wheat, or to be careful in reaping to keep them apart. The local officers in each district should cause them to be properly instructed in this matter, and they should specially impress upon the cultivators the need for careful selection of their seed. Much good may result from judicious action in this direction, and the Governor-General in Council commends the matter to the particular attention of the local authorities. His Excellency in Council has noticed with much satisfaction the steps which have already been taken toward the attainment of the object desired by the Chief Commissioner of the Central Provinces.

5. The Secretary of State for India desires that a paper may be prepared, bringing together all the facts procurable regarding wheat cultivation in India. To assist in the preparation of such a paper, the Governor-General in Council requests that in each province a memorandum may be drawn up shewing, as far as the information may be available,

(1) the names of the districts in which wheat is grown ;

(2) the area (in acres) under wheat in each of the last five years to the end of 1876-77 ;

(3) the average outturn in pounds per acre ;

(4) a brief account of the cultivation, in which should be stated the kind of land preferred, the quantity of seed sown per acre, the crop which wheat follows, the season of cultivation, and other useful particulars ;

(5) the average wholesale price of wheat;

(6) average consumption per head of the population of the district ;

(7) total consumption within the district ;

(8) annual imports into the district for five years, and places whence imported ;

(9) annual exports for the same period, places whither exported, and proportion carried by road, rail or river ;

(10) estimated average cost of cartage to the railway station nearest the district ;

(11) cost of transit to port of shipment (Calcutta, Bombay, or Kurrachee), by rail, by road and by river ;

(12) local names for the varieties of wheat cultivated, and their description in English ; and

(13) a general summary for the province, shewing the total area under wheat, the average outturn per acre, the total outturn, and the details of the import and export trade.

6. It is also requested that no time may be lost in obtaining the samples of wheat required by the Secretary of State. It is desirable that these should be put up in bags containing two pounds each, properly labelled with the name of the district in which the wheat was grown and its distinctive name. These samples should be forwarded to this office as soon as possible, without waiting for the completion of the information asked for.

ORDER.—Ordered, that a copy of this Resolution with a copy of the papers read in the preamble be forwarded to the

with a request that the necessary measures may be taken without delay to carry into effect the suggestions and instructions contained in this Resolution. The Governor-General in Council will be glad to receive any suggestions which local Governments and Administrations may desire to make with a view to the further development and improvement of the trade.

No. 130 (Statistics and Commerce), dated India Office, London, 21st December 1876.

From—Her Majesty's Secretary of State for India,
To—The Government of India.

I transmit, for the information of Your Excellency, an extract of a letter from a merchant in London, on the subject of the qualities of Indian wheat which are most appreciated in the English market, and of the means by which the price given for them might be raised. Besides the points therein mentioned, it is desirable that attention should be drawn to the loss resulting from the mixture of barley or gram with the wheat, and from the want of cleanliness in the granaries in which it is stored and in the boats in which it is carried to the port of shipment. Any means by which the importance of remedying these defects can be impressed on the people may have a very salutary effect on the trade.

2. I have applied for further information on the subject of a system of inspection said to be adopted in the United States and Canada, as described in the accompanying extract from a statement relating to the trade of Canada.

ENCLOSURES.

No. 1.

Extract of a lettter from a London Merchant, dated December 1876.

With reference to the interview I had with you last month as to the growth and production of wheat in the Empire of India, I now beg to lay before you a short statement of the present position of the trade, to which I have paid close attention the last three or four years.

Calcutta.—The wheats that come from this port are fine, mellow, soft, white,—from Cawnpore, Meerut and Delhi districts,—which bring the highest price in the market (except the finest Bombay, which, however, so far, has not formed an article of import owing to inadequate prices obtained in London and Liverpool), *and are very clean on the whole;* they could, however, be improved by proper blowing and exhaust machines, and sifting machines, and I should recommend this to be done so as to *get rid of grain, tares and barley* as *much as possible;* if this cleaning process is enforced by the district officials, I have no doubt these fine wheats could be made worth 2*s.* to 4*s.* per quarter more money in the United Kingdom. As far as I can make out from merchants who have been in the North West, the name these fine wheats go by is "Pegu" or "Pegoo." In our market, it goes by the name of "No. 1 Club".

I next come to a wheat, inferior to the above, which I understand goes generally by the name of "Doodiah" or "Doodeah," being called in our market "No. 2 Club." This is the quality we see most of and it is very well liked as in preparing for use it absorbs a great weight of water,

which of course, is very profitable for the miller in this country. The great drawback to it, however, *is its foulness, caused by admixture with grain, tares, and barley.* There is no reason, however, why, in two or three seasons, this fault should not be almost entirely remedied by your officers attending to properly cleaned seed being put into the ground.

I next come to a white-grey hard wheat, which appears to me to come from low ground, as it is almost as hard and flinty as rice ; on the whole, it is a clear wheat, still it could be improved by the seed wheat being better attended to.

I next come to a soft red wheat, which appears to me to come from the same districts as the "No. 2 Club," as, except in colour, it seems to be the same style of grain ; it is quite as foul as the "No. 2 Club," and, by *properly cleaning it for seed*, I have no doubt its value as an article of trade could be raised also 2*s.* to 4*s.* per quarter.

Another class of wheat we see largely from Calcutta is a rather large-berried wheat, classed between the No. 1 and No. 2, which we call in Mark Lane "Mountain Club," parties who have seen it grow telling me it comes from pretty high ground. This is a clean wheat, but can also be improved by the seed being more carefully attended to.

The last wheat I would name as coming from Calcutta is from the Central Provinces, and is called "Jubbulpore"; the district where it is produced lies about halfway between Bombay and Calcutta by rail, and most of it goes to the west coast for shipment, and I therefore treat this under the head of—

Bombay.—The wheats from this port seem to be all

produced in Central India; at least all I have seen, whether soft or hard, show a long, bold grain just like the "Jubbulpore".

No. 1, "White Bombay," is the finest wheat I have ever seen from India, and it does not seem possible to improve upon it, when I state that it sells at close to the same price as Australian (the finest wheat imported).

No. 2, "Bombay White," is also a superior article, but its great drawback is the coarse large-grained brown wheat, and some pains ought to be taken to have this grain extracted. The same cleaning machines named elsewhere in this paper might be tried to get it out, but I doubt the success of this process, and suspect the only way to bring the No. 2 wheat up to the No. 1 is to hand-pick out the coarse brown grain and sow the wheats separate. In three or four seasons, by this mode, I feel sure the quantity of No. 1, "Bombay White," might be much increased, and No. 2 decreased in proportion.

The next wheat to be noticed as exported from Bombay is the long-berried coarse brown wheat, a good article, but not much known on this side, and does not bring within 5*s*. per quarter of No. 2 White.

From Bombay also is exported a very fine long-berried hard wheat, of which large quantities have gone the last two seasons to Marseilles and other Mediterranean ports, but it is not liked here, being too much of rice nature. So far as the Bombay wheat trade is concerned, the production of the fine wheats should be as much encouraged as possible for the United Kingdom consumption, and as regards cleaning, where necessary, the machines mentioned elsewhere are the best.

Madras.—So far as I know, no wheat has reached the United Kingdom from that presidency, but I have this season seen a sample of red wheat thence which would do well for use in our markets, being of a sound, strong red type.

Kurrachee.—The export of wheat from the Indus country through this port has been at times considerable, and there seems to me no reason why it should not rapidly increase ; the quality of the wheat, white and red, is soft and mellow, but its great drawback is the large admixture of barley it contains, which ought to be got out. I have no hesitation in saying that, in four or five years, Kurrachee-shipped wheat would be improved 3*s.* to 5*s.* per quarter if due attention were paid to the cleaning of the seed wheat. The machines I allude to elsewhere are the very things for the purpose, and I have great confidence in the future of the Indus country as growing wheat, since the grain itself is mellow and easy for the miller to handle.

Machines.—I have taken a good deal of trouble in this matter, consulting Dell and Son of Mark Lane, who are clever, intelligent machine inventors and makers, and most respectable people. I send you several copies of their last list, and Mr. Dell, Junior, has kindly noted a few remarks against the machine* he specially points to for seed wheat cleaning purposes ; he is supplying D. Sassoon & Co. with machines for cleaning the wheat shipped now so freely at Bussorah on the Persian Gulf, and from experiments on foul wheats from India, Persia, and Syria, that I have seen, there is no doubt Messrs. Dell and Son understand their business in recommending the machines they do.

* Prospectus annexed.

Of course, I need hardly tell you that the cause of the sudden increase in the wheat trade with India is the opening up of the Suez Canal, thus enabling wheat to arrive in London and Liverpool in 42 to 48 days from Calcutta, from dates of bill of landing, in 35 to 38 days from Bombay, in 40 to 45 days from Kurrachee, by which means the ravages of the weevil are much checked; and altogether the trade is rapidly settling down to a regular one, the quality of wheat from India generally competing well with Russian, British, and American sorts. It appears to me that the grand thing to point to is to get the wheat as cheaply as possible to the ports, either by cheapening railway carriage, or improving the rivers, or increasing and extending canals,—probably you will say, by doing all.

Before ending these remarks, which I fear you may find wearisome, I should not like you to suppose that shipments are made by the Suez Canal alone, though they are so entirely from Kurrachee, and very much so from Bombay; from Calcutta, however, large quantities of wheat are shipped yearly by sailing vessels, and it is found the grain stands the voyage well by being stowed at the bottoms of the ships in bags, where no light or air can get to it, thus keeping the destructive weevil quiet and in a dormant state.

If you want any more information, I shall be glad to give it you, or obtain it for you, if it is not within my personal knowledge.

As far as I can find out, the Calcutta people call the different wheats as follows :—

Soft red, "Jamajallee."	} Gunga and Jumna—wheats of the Doab.	
Hard „ "Gungajallee."		
Soft white, "Doodeah."		
Soft „ (fine, North-West), "Pegu," or "Pegoo."		

Prospectus referred to in preceding letter.

BLOWING, WINNOWING, & SCREENING MACHINES.

The universal approval and many prices accorded to this machine have given rise to many imitation. Every part of these machines is made to a standard gauge, thus ensuring an accuracy of fit, and facility of repair, unequalled in any other machine of this class. The care and attention which has been bestowed upon the production of these improved machines, together with the sound principles upon which they are constructed,—ensuring durability and efficiency to a high degree, have—already brought them into extensive use. They are made of the very best meterials, are light, simple, pleasing in appearance, such as can only be obtained by first-class design and workmanship.

For separating and cleaning all kinds of grain and seeds for market, this machine has no equal. For export they are not to be surpassed, being durable and simple. They are capable of cleaning grain as fast as one man can fill the machine, being a complete blowing and dressing machine at one time, but can be used as a blower separately, if required. Having an eccentric motion, it can be thrown in and out of gear, making two complete implements in one. Large stock always on hand.

Prices.

No. 1.—Machine complete with blowing apparatus, riddles 22 by 18 inches, £10.

If of hard wood for hot climate £1 extra.

This machine with special sieves, will do 8 to 10 quarters per hour of the sample tried. If put through twice, a great improvement would be made on the first sample.

No. 2.—Same as No. 1, without blowing apparatus, £9.

No. 3.—Small size without blowing apparatus riddles, 18 by 18 inches, £8.
Blowing apparatus to No. 3, 15*s.* extra.
Seed riddles, 10*s.* extra.

No. 4.—New size for small occupations, riddles, 16 by 16 inches, £6 10*s.*

For shipment, machines can be made in sections so that six machines will occupy the measurement of one when erected.

No. 2.

Extract from "Report on the Home and Foreign Trade of Canada, for 1875."

Facilities for Transferring grain, &c.,

* * * * * *

With all the facilities referred to at his command, the grain merchant in Montreal stands in a most important relation to the markets of Europe on the one hand, and the vast cornfields of the western world on the other. In response to orders by cable, he either forthwith buys Canada wheat on the spot or near at hand, or he directs the purchase of gain in Chicago or Milwaukee. Subjected, as it is, at these great centres, to the most perfect system of inspection in existence, it arrives at Kingston and is there transferred to barges of similar capacity to

the vessels from which it is delivered, and passing through the cool waters of the river St. Lawrence, the cargo of wheat, corn, rye, or other grain, is placed alongside the ocean-going ship for transport across the Atlantic. All this is accomplished, as must be evident, without the possibility of the grain being changed, or mixed with an inferior quality, by the way (a result which cannot be relied upon by any other route), thus giving additional value to the inspection certificate which was issued for the cargo at the original port of shipment. Not the least important consideration is, that the northerly latitude of the Canadian transportation route relieves the grain from all danger as to *condition*, even in the summer months, when the risk by other channels is comparatively great.

Circular No. 11, dated Nagpur, 5th May 1876.

From—The Offg. Secretary to the Chief Commissioner, Central Provinces,

To—All Commissioners and Deputy Commissioners, Central Provinces.

It has been represented to the Chief Commissioner that the value of the wheat which is exported from these provinces to England—and of late years a considerable quantity of wheat has found its way to England—is materially affected by its admixture with *lak*, *massur*, and similar pulses.

2. The Chief Commissioner is aware that it is a common practice in these provinces to sow these pulses with the wheat, but the practice is one which it is very desirable to discourage. It is said that, by machinery, stones, dirt and sand can be easily separated from the wheat, but

not so this admixture of pulse, which, on the wheat being ground, gives the flour a bad colour and materially reduces its market value.

3. The Chief Commissioner desires that Deputy Commissioners will explain to malguzars and cultivators how injurious the present practice is, and will try to induce them to keep their wheat free from admixture. The price of agricultural produce has fallen so much of late years, that farmers cannot afford to lose the excellent market for their wheat which England appears to be likely to become, and if they will only endeavour to suit the English market, it seems probable that Indian wheat will become an important export and may rival the other wheat producing countries which supply England.

Extract, paragraph 3, *from a Circular, No.* 25, *dated* 4*th August* 1876 *from the Officiating Assistant Secretary to the Chief Commissioner, to all Commissioners and Deputy Commissioners in the Central Provinces.*

Para. 3. In a late Circular, the Chief Commissioner commented upon the fact that the value of the wheat grown in these provinces and exported to England was materially affected by its admixture with the various pules, and prizes for wheat free from such admixture would be practical, and direct encouragement to the people to keep their wheat free from admixture.

If a beginning is now made, and an annual show of some kind or other held in each district, it will be possible before long to arrange for an annual show in each tahsil; and so bring home to the bulk of the people that the Government encouragement is in furtherance of the people's own interests.

Circular No. 3433-162, dated Nagpur, 9th September 1876.

From—*The Offg. Secretary to the Chief Commissioner of the Central Provinces,*

To—*The Deputy Commissioner of Jubbulpore,*
" " " *of Saugor,*
" " " *of Narsinghpur,*
" " " *of Hoshangabad,*
" " " *of Raipur,*
" " " *of Bilspur,*
" " " *of Seoni,*
" " " *of Danish,*
" " " *of Nagpur,*
" " " *of Wardha.*

I am directed to send you copies of the marginally noted letters that have passed between this office and Messrs. Finlay, Scott and Company of Bombay. You will also receive, in a separate packet, separate samples of the various kinds and qualities of wheat, as described and classified by Messrs. Finlay, Scott and Company. A portion of each sample should be given to each of your Tahsildars, and the Chief Commissioner wishes that these samples should be shown to as many of the leading agriculturists, malguzars, and ryots as possible, and that the respective places which these kinds of wheat occupy in the market should be explained.

Messrs. Finlay, Scott and Company, Bombay, dated 11th July 1876, to Chief Commissioner, Central Provinces.

Secretary to Chief Commissioner, Central Provinces, in reply No. 2744-125, dated 15th July 1876.

Messrs. Finlay, Scott and Company, dated 20th August 1876, to Chief Commissioner, Central Provinces.

The cultivators should be exhorted to pay attention to

the cultivation of a wheat which is sure to fetch a good price; to bear in mind the importance of keeping the wheat in their fields free from any admixture of pulses; remember the necessity of having all the wheat they sell in bulk of the same kind and quality; and to try the effect of *selecting* the seed they put down in their fields. The result of sowing *selected* seed would very soon become visible.

These are all matters that can easily be made comprehensible to the native farmer, and the Chief Commissioner hopes that you and your Tashildars will again and again impress on them the advantage of acting up to the advice given them.

This Office Circular, No. 25 of the 4th August, has suggested a way to strengthen your hands in the matter and to interest the cultivators themselves; and you will perceive from a notice in the *Gazette*, that the Nagpur District Fund Committee have made a beginning in the matter of improving of agricultural produce, by offering prizes for the best of large samples of grain exhibited at the Ramtek fair.

Dated Bombay, 11th July 1876.

From—Messrs. Finlay, Scott and Co.,

To—The Chief Commissioner, Central Provinces.

By the mail to hand last week, we received from our Mr. R. V. Reid some very interesting information regarding the favour in which wheats grown in the districts of your Commission were now held in the Home market. The millers there are learning rapidly to appreciate the great advantage to be derived from mixing these grains with

those grown in England, especially after a wet havest with them, the reason being that the extreme dryness of the Indian grain serves to absorb much of the excess of moisture from the Home grain, and reduces the average of what is thus mixed to a proper condition of moisture.

2. Mr. Reid then remarks upon the injury done to the market of this wheat at Home by the large admixture of foreign grains. As this is a question in which we know you have particularly interested yourself, and as it is one of great importance to us, being, as we are, the largest exporters of the article from Bombay, we gladly lay before you our knowledge on the subject, and will be happy to provide you with any further information you may require with regard to it.

3. The quantity of pure wheat exported from Bombay is very small compared with that of the lower and adulterated qualities ; but under present circumstances it does not pay as well to ship the former as the latter, the scarcity of the best wheat here making the margin of price between it and the lower kinds greater on this side than in the Home market. On an average, the cost of good wheat is 1 shilling per 100 lbs dearer to ship than the other, and fetches only 6 pence to 9 pence more in Liverpool. We send you herewith two samples of *best* quality shipped by one of our neighbours, which obtained top prices on account of purity.

4. This pure wheat, called by the natives "Ek dana pissie," comes mostly to the Seonee and Etarsi stations from the Bhopal State, and is found in Doleeria market; and its present value in England is from 10 shillings to 10 shillings 3 pence per cental (100 lbs.)

5. The wheat that comes from Nagpur is pretty free from admixture of foreign grains, but contains a large percentage of hard red wheat which prevents its getting as good a price as the pure white Pissie.

6. The largest export from Bombay is of the Mundie Pissi, which comes from the neighbourhood of Jubbulpore—from Sehora Road, Chhindwara, and adjacent stations ; this in itself is a very pretty grain, but much depreciated owing to heavy mixtures of foreign seeds. Mr. Reid writes in this connection :—

" Fearful are the complaints of *dhall* and gram in it, principally the *wild* dhall, *which discolours the flour.*

7. There can be no doubt that this injurious result is brought about by carelessness and want of method in sowing, and we think that a great improvement would very soon be forthcoming if by any means the ryot could be persuaded to be more careful in sowing an unmixed grain.

8. The wheat trade with India is now becoming more important every day, and it is, of course, for the interests of all concerned that the character of the article should suffer as little as possible from the primitive and ignorant way in which the ryot is content to farm. Notwithstanding the advanced period of the season, we propose to send you at our first leisure samples showing the various descriptions of grain as they come to this market in their order of merit.

No. 2744-125, dated 15th July 1876.

From.—The Offg. Secretary to the Chief Commissioner, Central Provinces.

To.—Messrs. Finlay, Scott & Co., Bombay.

I am directed by the Chief Commissioner to acknowledge the receipt of your letter of the 11th instant, and am to say that the subject of improving the quality of the wheat produced in these provinces and preventing its admixture with inferior grains has already been under the Chief Commissioner's consideration. I enclose copy of a circular addressed to district officers, and also copy of a letter to the Chamber of Commerce, asking to be supplied with samples of the best kinds of wheat. If you would, either yourselves or in concert with the Chamber of Commerce, supply samples showing the best kinds of grain, and the order in which they come, the Chief Commissioner will be much obliged, and will do what lies in his power to impress on the ryots the advantage of clean sowing, and of preserving their wheat from admixture with inferior grains. No doubt, improvement will be gradual; but the Chief Commissioner is confident that, in time, the ryots will desist from sowing various kinds of grain in the same field when they find that by doing so they spoil their market, and the better kinds of wheat will be cultivated if it is known that they fetch a higher price.

There are some ten districts in these provinces whence wheat is procured, and these are divided each into three or four sub-divisions; and it is desirable that every sub-divisional officer should have small samples of the wheats in their order of merit, so that the Chief Commissioner hopes you will be able to send samples large enough to

supply a small sample to each, say not less than two lbs. of each kind of wheat.

The Chief Commissioner will, at all times, be glad to receive hints or information from you which may enable him to enlarge the market for any of the staples of these provinces.

Dated Bombay, 28th August 1876.

From—Messrs. Finlay, Scott & Co.,

To—The Chief Commissioner, Central Provinces.

Referring to our letter of 11th July on the subject of the sowing of wheat, we now beg to enclose railway receipt for two bags sent to your address, containing standard samples of the descriptions of grain grown in the districts of your Commission, and known in the Home markets.

These we have divided into five small bags containing one half-hundredweight each.

No. 1.—White (Ek Danna,) despatched to this market from Seonee and Etarsi stations.

„ 2.—White Pissie from districts near Nagpur.

„ 3.—Mundie Pissie from districts near Jubbulpore. (These three descriptions we described in our letter of 11th July.)

„ 4.—Red Pissie from districts near Simree.

„ 5.—Akola Pissie.

These descriptions of red wheat are daily coming into greater favour in the French market, a good business having taken place with Marseilles at favourable prices. The Simree has only a small percentage of hard grains,

this admixture being on a larger scale in the lower quality from Akola; in the latter discription, the hard Kuthia grain is found as much as ten per cent., and its presence serves considerably to diminish the value of the bulk.

We may mention that the cause of our being unable to send you these samples earlier is due to the great difficulty that always exists, at the close of the season, in procuring reliable samples to represent the fair quality of the crop.

No. 14 (Statistics and Commerce), dated India Office, London, 18th January 1877.

From—Her Majesty's Secretary of State for India,

To—The Government of India.

In my despatch of the 21st ultimo, No. 130, I drew Your Excellency's attention to the importance of measures adapted to encourage the improved cultivation of wheat, and to facilitate its transport to this country in good condition.

2. It seems very desirable that a compilation should be prepared, as has already been done with various Indian products, shewing the main features of its cultivation, consumption and export, the local selling prices for a series of years, and the probable cost of transport from the chief markets to the place of export. An attempt to prepare such a paper has been made in the Department of the Reporter on Products; but it was found that the information in this country was not sufficient for the purpose.

3. A selection should also be made of the chief local varieties of the grain, and samples should be sent to England carefully named and described, so that their place of production could be certainly distinguished, in

order that the opinion of competent persons in this country may be obtained as to their market-value. This latter suggestion is one which might, in my opinion, be advantageously acted upon with the least practicable delay.

From Chamber of Commerce to Govt. of India.

Calcutta, 9th May 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 53 of 14th March on the subject of improving the condition of wheat shipped from this country to England; and to communicate the following remarks in reply.

The experience of exporters from Calcutta proves that all qualities of wheat, from the lowest to the highest, meet with a ready sale at home, notwithstanding the somewhat imperfect state in which they are placed upon the markets there.

The cleaning of the grain is a very simple matter, and if it will pay the merchants to adopt that process, the Government need not apprehend that it will be neglected. Home dealers however do not buy wheat, with guarantees of percentage of admixture as is the case with linseed and other oil seeds, and it is evident that its grain suits them well enough in its present state. Of course if the dealers could get it cleaned for the same money they would not object to any improvement in that respect.

The purchasers and exporters from Calcutta do not find that wheat is much adulterated with other grain; occasionally a trifling exception may be noticed, but usually the refraction is earthy matter which gets accidentally introduced when the wheat is being winnowed.

The great fault of Cawnpore and similar wheat is the admixture of red grain with the white, and to this no doubt exception is taken at home.

If this can be avoided by selection of seed it would be desirable in the interests of native cultivators wheat crops to have this material point pressed upon them as they would thereby be saved the depreciated price they now realise—say 4 to 6 annas per maund or 25 per cent of the price they usually get on the growing districts. On this point however it cannot be stated with certainty that the presence of red grain is attributable to the seed, as the native agriculturists assert that it is caused by rain and cold followed by wind. And this would appear to be borne out by the crop of this season, which abounds with red wheat, much more so than last year, and the season was a very wet one.

A great deal of wheat is now being grown on land not suited for it, but this will probably right itself as the ryot will take time to learn what crop will pay him best,—wheat being a new one to him on its present scale. This results in parcels of inferior stuff, which find ready market however, and if they pay the cultivator better than another crop of course he is quite right to grow it.

The Committee of the Chamber are inclined on the whole to deprecate any active interference by Government, and while they duly appreciate the excellent motive which prompts the various recommendations and suggestions contained in their official Resolution, they are not unmindful of the results of the Cotton Frauds Act in Bombay.

Registration of British Trade Marks.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 21st May 1877.

No. 2 dated 30th April, 1877. 335

I am desired by the Lieutenant-Governor to forward for the information of the Chamber of Commerce, the enclosed copy of a letter* from the Government of India in the Revenue, Agriculture and Commerce Department and its enclosures, relative to the registration of English Trade Marks.

From Govt. of India to Govt. of Bengal.

Simla, 30th April 1877.

I am directed to forward for the information of His Honor the Lieutenant-Governor and such publication as may seem necessary, a copy of the undermentioned papers, *viz.*—

A pamphlet* entitled "Rules under the Trade Marks Registration Act, 1875, and the Trade Marks Registration Amendment Act, 1876."

* With 13 spare copies.

A "Notice† as to registration of Trade Marks for Cotton Goods," dated the 21st November 1876, signed by the Registrar of the Trade Marks Registry Office.

† With 13 spare copies.

Vide *Gazette of India*, dated the 10th February 1877, Part I., pages 73to 88.

Ditto, dated the 3rd March 1877, Part I., page 115.

Supplement to the *Gazette of India*, dated the 31st March 1877, pages 769 and 770.

These papers have already appeared in the *Gazette of India*.

Copies of the despatches from the Secretary of State noted in the margin, under cover of which the above mentioned papers were received, are also forwarded.

No. 49 (Judicial), dated the 30th November 1876.
No. 1 (Judicial), dated the 11th January 1877, with enclosure.

No. 49 (Judicial), dated India Office, London, the 30th November 1876.

From—Her Majesty's Secretary of State for India,
To—The Government of India.

I herewith forward for the information of Your Excellency in Council, and for distribution among the Local Governments and Administrations, one hundred copies of the amended rules which have been issued under the "Trade Marks Registration" Acts of 1875 and 1876.

No. 1 (Judical), dated India Office, London, the 11th January 1877.

From—Her Majesty's Secretary of State for India,

To—The Government of India.

With reference to my despatch of the 30th November, No. 49 of 1876, forwarding, for the information of Your Excellency in Council and for distribution among the Local Governments and Administrations, 100 copies of the amended Rules which have been issued under the Trade Marks Registration Acts of 1875 and 1876, I now transmit copy of a letter dated 30th November from Mr. Reader Lack, the Registrar of the Trade Marks Registry Office, drawing attention to two points in connection with the new Rules.

Dated 30th November 1876.

From—H. Reader Lack, Esq., Registrar of the Trade Marks Registry Office,

To—Sir Louis Mallet, C. B., Under-Secy. of State for India.

I am directed by the Commissioners of Patents to acknowledge the receipt of your letter of the 29th instant, and to send herewith, in accordance with the wish of the Marquis of Salisbury, 100 copies of the amended Rules under the Trade Marks Registration Acts and of the notice as to registration of the trade marks for cotton goods.

In transmitting these documents I am directed to draw attention to Rule 5, under which foreigners resident in India are admitted to registration in this country upon the same terms as British subjects. It may also be useful to point out that prior registration in the Presidency, Province, or Native State in which an Indian trade mark owner is resident is not necessary before registration in this country.

NOTICE AS TO REGISTRATION OF TRADE MARKS FOR COTTON GOODS.

As numerous marks used in the cotton trade at the date of the passing of the Trade Marks Registration Acts (38 & 39 Vict. c. 91., and 39 and 40 Vict. c. 33.), are, by reason of their common usage, excluded from the scope of that Act, the following rules have been made for the guidance of persons desirous of registering trade marks for cotton goods:—

"57. For the purpose of facilitating the granting of

Establishment of office for exhibition of cotton trade marks at Manchester.

trade marks in respect of cotton goods in Classes 23, 24, and 25, there shall be established by the Commissioners of Patents, and subject to their control, an office at Manchester for the exhibition of all devices, marks, headings, labels, tickets, letters, words, or figures, or combinations of letters, words, or figures, used in the cotton trade, and in these rules included under the expression 'cotton marks.'

Representations of cotton marks to be sent to Manchester office on or before December 1st, 1876.

"58. Every person who at the date of the passing of the Act (August 13, 1875), used any cotton mark shall, on or before the first day of December one thousand eight hundred and seventy-six, send to the Manchester office three representations of such cotton mark, in such form and with such a description as may be from time to time required by the Commissioners of Patents.

Committee of exports to be appointed and to divide cotton marks into two classes.

"59. A committee of persons versed in the usages of the cotton trade shall be appointed by the Commissioners of Patents, consisting of such number of persons as may from time to time be determined by them, and it shall be the duty of such committee, on or before a time to be named by the Commissioners of Patents, to divide the cotton marks, representations of which have been so sent in to the Manchester office, into two classes, the first class consisting of such of the said cotton marks as are, in the opinion of the committee, trade marks within the meaning of the Act, and the second class consisting of such of the said cotton marks as are not, in the opinion of

the committee, trade marks within the meaning of the Act.

"60. The said committee shall form a list of the cotton marks sent to the Manchester office in each of the aforesaid classes, and shall transmit such lists to the Commissioners of Patents, accompanied by two representations of each of the marks specified in the second class in such list.

Committee to form list of marks sent in to Manchester office.

"The third representation of each of the marks in the second class in such list shall be retained for reference in the Manchester office.

"61. The Commissioners of Patents may from time to time add to the aforesaid list any cotton marks as they may think just, and such addition shall be deemed to be part of the original list.

Marks may be added to list.

"62. Any proprietor of a cotton mark not specified in the second class in such list may apply to be registered as proprietor of such cotton mark in manner and subject to the conditions in which he may apply to be registered as proprietor of any other trade mark, but it shall not be lawful for the Registrar to register any person as proprietor of any cotton mark in the second class of the aforesaid list except in pursuance of an order of the Court.

Any person claiming to be the proprietor of a cotton mark in Class 1 may apply to be registered.

"63. A cotton mark shall not be registered except in manner and subject to the conditions prescribed by these rules with respect to the registry of cotton marks."

Cotton mark not to be registered except in manner herein prescribed.

An office, as provided by Rule 57, will be opened at 48, Royal Exchange, Manchester, on the 24th of October 1876.

The following gentlemen have been appointed by the Commissioners of Patents to form the Committee of Exports under Rule 59 :—

Edmund Ashworth, Esq., President of the Chamber of Commerce, Manchester.

John Cheetham, Esq., Vice-President of the Chamber of Commerce, Manchester.

B. Davis, Esq.
S. A. Fulda, Esq.
P. Goldschmidt, Esq.
A. J. Hunter, Esq.
H. J. Leppoc, Esq.
G. Lord, Esq.
E. Crompton Potter, Esq.
E. Reiss, Esq.
H. M. Steinthal, Esq.
E. H. Sykes, Esq.

Mr. Joseph Fry has been appointed by the Commissioners of Patents as keeper of the Manchester office.

Each representation required to be furnished by Rule 58 should be attached to a separate half-sheet of foolscap paper, on which should be written,—*a*, the name and address of the applicant; *b*, the number of the class in which registration is desired; and *c*, the length of time the mark has been in use. If it be desired to register a mark in more than one class, three representations in each class must be furnished. No fee will be required, nor will any formal declaration or statement be necessary.

In the case of a combined stamp the applicant should state whether it is desired to protect the whole combination or only a part of it; in which case a line should be drawn round the part which it is desired to protect.

Representations of marks considered by the owners as private should be marked with the letter "P."

When application has been already made to the Principal Registry in London, the Registrar's number must be quoted in the Manchester application.

Owners of marks placed upon the second class specified in Rule 59, although not entitled to registration except by an order of the Court, may obtain from the Registrar a certificate of refusal to register, as provided by section 2 of 39 & 40 Vict. c. 33.

It is intended that all marks for cotton goods made in the piece should be claimed in Class 24.

These regulations do not apply in the case of marks not used prior to the 13th of August 1875. Application to register such marks must be made in the usual way to the Trade Marks Registry in London.

Local purchases of Government Stores.

No. 527 E.

Extract from the Proceedings of the Hon'ble the Lieutenant-Governor of Bengal in the Public Works Department (General Establishments), under date the 20th March 1877.

Read a memorandum from the Secretary to this Government in the General Department, No. 696 of the 8th current, forwarding copy of a Resolution from the Government of India in the Financial Department relative to the supply of stores from England to the different branches of the Government service.

OBSERVATIONS.—The General Department of this Government forwards a Resolution from the Government of India, Financial Department, requesting an expression of the opinion of this Government in regard to any rules and restrictions which it is expedient to lay down for substituting local purchases of certain kinds of stores, for the agency of the Store Department of the India Office, and requests that a Committee may be convened to report on the subject.

2. The Lieutenant-Governor directs that the Committee be constituted as follows:—

PRESIDENT:

Major-General J. E. T. Nicolls, R. E., Secretary to the Government of Bengal in the Public Works Department.

MEMBERS:

Colonel F. T. Haig, R. E., Joint Secretary to the Government of Bengal in the Public Works Department, Irrigation Branch.

Mr. H. Beverley, Officiating Inspector-General of Jails.

„ A. Mackenzie, Officiating Secretary to the Board of Revenue, Lower Provinces.

„ F. R. Boyce, Examiner of Public Works Accounts, Bengal.

Mr. T. S. Isaac, Officiating Superintending Engineer, on special duty Presidency Circle.

Major R. C. B. Pemberton, R. E., Superintending Engineer, on special duty under the Government of India, Public Works Department.

Surgeon Major J. Browne, M. D., Secretary to Surgeon-General, Indian Medical Department.

3. Mr. A. Mackenzie, Officiating Secretary to the Board of Revenue, to be Secretary to the Committee.

4. The importance of substituting stores of indigenous origin for articles obtained from England, where this may be possible, is very great, and the Committee should consider and report on the following points:—

1*st*,—What articles required by the various public departments under this Government could and should be obtained by local manufacture instead of being procured from Europe?

2*nd*,—What description of articles to be obtained from Europe should be procured through the Secretary of State, and what by local arrangement?

3*rd*,—What rules and restrictions should be laid down in regard to obtaining articles from Europe by local arrangements?

5. It is very possible that articles which are not at present obtainable by local manufacture would become so, if it were known that Government is likely to require such articles. The Committee should also report on this subject.

6. The Lieutenant-Governor is also desirous of ascertaining the views and of receiving the suggestions of the public mercantile bodies of Calcutta on this very important question, and a copy of this Resolution will be for-

warded to the Chamber of Commerce, the Trades' Association, and the British Indian Association for any suggestions they may wish to offer.

7. Any suggestions from these or other sources should be sent to the Secretary to the Committee for consideration and report by that body.

8. The views and suggestions of the various Departments of Government on this question are also required more particularly from the Marine and Educational Departments, and the Superintendent of Stationery. These reports should also be sent to the Secretary to the Committee, in the last named case through the Board of Revenue.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 11th June 1877.

I am now directed by the Committee on the Local Purchase of Stores to forward for the information of the Chamber, the accompanying schedules exhibiting the kinds of stores at present usually purchased in Europe on account of the Departments named on the margin.

Public Works Department
Railway Department.
Stationery Department
Secretariat Press.

The Committee would be glad if you would forward copies of these as soon as possible to the firms and individuals most likely to take them into practical consideration, and if you would inform me as soon as possible of the names of those who would be likely to give useful information to the Committee in regard to the question of their local manufacture or purchase. Schedules for the Marine and Medical Departments will follow.

Resolution by Government of Bengal on Annual Report of Marine Department.

GENERAL DEPARTMENT.

MARINE—No. 1869A.

Calcutta the 3rd July 1877.

RESOLUTION.

Read—

The Annual Report of the Master Attendant's Department for 1876-77.

The Annual Report of the Government Dockyard and Marine for the year 1876-77.

It has hitherto been the practice to include all Marine matters under the control of the Government of Bengal within a single report from the Marine Department. For the past year, however, two reports of the Marine Department have been prepared under recent orders of the Government of India, with reference to the Marine business transacted in the Department of Revenue, Agriculture, and Commerce, and that transacted in the Marine Department of the Government of India.

2. Lieutenant F. Warden was in charge of the entire department throughout the year as Officiating Deputy Master Attendant. Shortly after the close of the year Captain Harris, Conservator of the Orissa Ports, was drowned on the 8th of May while proceeding to inspect the light-house at False Point. His death has deprived Government of the services of an able and energetic officer, who had a large experience of the Orissa coast and a thorough knowledge of the requirements of the sea-

going trade of that province. Lieutenant Warden observes that the staff of the Master Attendant's Department is weaker by three officers than it was ten years ago, and that the reforms introduced by the Consulting Naval Officer to the Government of India have materially increased the work. A scheme for the reorganization of the Marine Service has, however, been drawn up by the Government of India and will shortly take effect. The Lieutenant-Governor has more than once expressed his opinion that reforms were needed to secure the efficient administration of the Marine affairs in these provinces.

3. In the year under report the Pilot Service numbered 70 members, that being the strength to which it was reduced last year, and which it is intended to maintain in future. Forty-seven pilots belong to the covenanted service, and 23 are licensed pilots. Of the 47 service pilots, 33 were actually running, 3 were in command of pilot vessels, 10 were on leave, and 1 was employed on staff duty. The 23 licensed pilots were all actually running, so that altogether 56 pilots, or two less than last year, were available for service on vessels entering and leaving the Hooghly. This number of 56 running pilots was considered by the Committee of 1872 to be sufficient for the working of 2,000 vessels in the year, allowing an average of four days as the period for taking a ship up or down the river. The actual number of ships piloted during the year, including 28 pilot vessels and light vessels, amounted to 2,310; but as the time now occupied in the pilotage of each vessel is much shorter than was allowed for in the Committee's estimate, there seems no reason to doubt that the number of 56 running pilots is sufficient for the work of the port, provided that proper arrange-

ments are made for sending a sufficient supply of them down to the Sandheads to await the arrival of incoming ships.

4. The scheme proposed by this Government for recruiting the Pilot Service has been accepted by the Secretary of State. Leadsmen apprentices will in future be selected from the training ships in England, and no more appointments will be made in this country.

5. The following statement shows the number and tonnage of the vessels visiting the port during the last two years :—

YEAR.	Arrivals.	Tonnage.	Departures.	Tonnage.	Total vessels.	Total tonnage.
1875-76 ...	914	1,274,944	906	1,284,321	1,820	2,529,265
1876-77 ...	1,161	1,696,701	1,121	1,598,250	2,282	3,294,951

6. A considerable increase is apparent both in the number of vessels and in the gross tonnage, which is believed to be due for the most part to the number of short voyages to and from the ports of the Madras coast undertaken by steamers and sailing vessels exporting rice from Bengal. A similar expansion of the traffic of the port was observable in a less degree in 1874, when distress prevailed in Behar, and rice was largely imported from British Burmah. It was noticed in the Resolution on the report for 1875-76 that the decrease in the number of vessels entering and leaving the port was entirely in steamers, the number and tonnage of sailing vessels showing an increase. During the past year the increase

in the number of steamers was 277, and in the number of sailing vessels 185. The average tonnage of steamers is slightly less than in the previous year, but there is a considerable rise in the average tonnage of sailing vessels.

7. The following statement shows the number of sailing vessels and steamers that entered and left the port in the last two years as well as the number of each that passed through the Suez Canal:—

		1875-76.	1876-77.
ARRIVALS ...	Number of steamers ...	406	552
	Ditto of sailing vessels ...	508	609
	Ditto of steamers which came through Suez Canal...	149	161
DEPARTURES ..	Number of steamers ...	405	536
	Ditto of sailing vessels ...	501	585
	Ditto of steamers which went through Suez Canal...	134	147
Total tonnage, inwards and outwards, of steamers		1,454,264	1,945,577
Average tonnage of steamers		1,793	1,788
Total tonnage, inwards and outwards, of sailing vessels		1,105,001	1,349,374
Average tonnage of sailing vessels		1,095	1,130

8. The report contains a statement showing the number of vessels piloted by the 56 running pilots, and the annual and monthly average piloted by each member of the several grades of the Service. From this statement, which has been prepared in accordance with the instructions conveyed in the Government letter of 10th October 1875, it appears that each Branch Pilot piloted on an average 5·35 ships a month. For Master Pilots the monthly average was 3·60 ships, and for Mate Pilots 2·94 ships a month. It will be remembered that the Pilot Committee of 1872 considered that the strength of the Pilot Service should be fixed at that number which would allow each pilot an average of three ships a month. From the figures now presented, it is clear that the recent reor-

ganization of the Service has operated to raise the average earnings of a pilot considerably above the scale which the Committee held to be adequate; and that the reduction of 15 per cent. from the pilotage fees, which has been made under recent orders, has not afforded any reasonable ground of complaint.

There were 32 cases of grounding during the year, being 13 less than last year, and 36 less than in 1873-74. In 29 cases no damage was done, two vessels were totally lost, and a third was dismasted and obliged to put back into harbour. Marine Courts were held in the two cases of total loss. In one case the pilot in charge was acquitted, while in the other, that of the *Cawdor Castle*, the pilot was found guilty of unskilfulness and was dismissed. There were seven collisions, but considerable damage was done only in one case. Departmental Courts of Enquiry were held in two cases of grounding and one of collision. Special Courts under section 4 of Act IV of 1875 were convened to enquire into the loss of the *Asia* by fire while at anchor in the port, and of the *Prince Waldemar* on the *Roy Mutlah* sand. In the former case the Court found that the fire was accidental, and in the latter that the ship was 30 miles out of her reckoning when she struck. The general conduct of the Pilot Service is reported to have been good throughout the year. Considering the increase that has taken place in the number and tonnage of vessels, the crowded state of the port, and the great length and draught of water of the steamers which have lately been built for the Suez Canal trade, it is satisfactory to find so few cases of grounding, and so few collisions of a serious nature.

10. There seem to be no grounds for believing that

the channels of the Hooghly have materially deteriorated of late years. It is known that 40 years ago a draught of 17 feet was considered the maximum that could safely be allowed to proceed up as far as Calcutta ; while now vessels drawing over 21 feet pass up and down at all seasons of the year. The general use of steam has no doubt much to say to this ; but it is clear at the same time that the river has not fallen off as a navigable channel. The following statement shows the number of steamers drawing over 21 feet that passed up and down in 1876-77 :—

Month.	21-23 feet.	23-24 feet.	24-25 feet.	25-25½ feet.	Total.
April 1876 ...	11	3	1	...	15
May ,, ...	1	4	...	...	5
June ,, ...	5	3	...	...	8
July ,, ...	13	1	1	...	15
August ,, ...	12	1	...	...	13
September ,, ...	5	2	...	...	7
October ,, ...	14	4	2	...	20
November ,, ...	14	3	2	...	19
December ,, ...	7	4	2	1	14
January 1877 ...	13	12	4	...	29
February ,, ...	14	6	5	1	26
March ,, ...	12	5	4	...	21
Total ...	121	48	21	2	192

11. The Committee appointed to enquire into the survey of the Hooghly have submitted their report, and the proposals of this Government have been laid before the

Government of India. In the meantime, the urgent necessity for replacing by steamers the sailing vessels at present employed on the work of the river survey has become very apparent, and proposals are now under consideration for the immediate employment of the steamer *Nemesis* on survey duty in the room of the *Kedgeree*. The details given in the report show the changes which have taken place in the navigating channels during the year. The buoys from Calcutta to the sea have been put in good order, and the *Dolphin* buoy vessel has also overhauled and refitted the buoys on the Orissa coast.

12. The working of the quarterly examinations for certificates of competency is described in the report. Lieutenant Warden observes that the examinations are held at too long intervals, and that this bears hardly upon young officers whose promotion is delayed thereby. On this point, however, the Government of India have expressed a wish that the examinations should be held half-yearly or quarterly, and it is obvious that, when a large body of examiners has to be assembled, there would be much practical inconvenience in holding examinations at shorter intervals than three months. The Lieutenant-Governor is therefore unable to reconsider the decision which was previously arrived at.

13. The pilot vessels and floating light-vessels are reported to be in good condition. The new light-ship *Canopus* has recently been sent to relieve the *Planet*, which has been brought into dock for repairs; but as soon as the *Planet* returns to her post, the *Canopus* will be sent to a new station between the Lower Gasper and the Outer Light.

14. The *Vulcan* anchor vessel has been employed during the year in recovering lost anchors and chains, and has also rendered assistance to the River Survey Department both in the Hooghly and on the Orissa coast. The cost of the establishment of the vessel amounted to Rs. 5,208, and Rs. 959 was paid to the crew for salvage. The stock in hand of recovered anchors and chains is estimated to be worth Rs. 5,514. Although the vessel was employed during a part of the year on survey duties, and in spite of a serious misunderstanding with the crew, which resulted in the suspension of the commander, the income, excluding the value of the stock in hand, exceeded the expenditure by Rs. 1,828.

15. The houses of refuge were visited several times in the year, and have lately been thoroughly refitted and replenished with stores. Two houses have been entirely rebuilt.

16. The account given in the Marine Report shows the distribution of the Inland Flotilla up to the end of the year. Since then the *Prince Albert*, with the large flats *Ganges* and *Konai*, and No. 10 famine steamer, with two smaller flats, have been placed at the disposal of the Chief Engineer, Northern Bengal State Railway, for the conveyance of railway plant, and the hulk *Ghazeepore* has been transferred to the Port Fund of False Point. It is understood that steamers and launches employed under the orders of this Government will in future be treated as a charge on the Provincial Revenues. Information is now being collected, showing the actual cost of each of the vessels now employed in Bengal, and a detailed proposal will shortly be submitted to the Government of India

with regard to the steamers which the Lieutenant-Governor would desire to retain permanently.

17. The silting up of the foreshore of the Dockyard has formed the subject of a separate correspondence with the Marine Department of the Government of India and with the Port Commissioners. Some delay has been occasioned by the reluctance of the Port Commissioners to commence dredging so long as Fort Point remained in its present condition. But it has now been explained to the Commissioners that it is not likely that any works will be undertaken at Fort Point of such a kind as materially to affect the river below the Point; and a hope has been expressed that they will recognise the urgency of the case, and direct the immediate removal, by means of the dredger, of the accumulation of silt complained of by the Marine authorities.

The details given in the report show that an unusually large amount of work was done in the Government Dockyard and Steam Factory during the year.

Ordered that a copy of the Report of the Marine Department, and of this Resolution, be submitted to the Government of India in the Marine Department.

Also that a copy of the Report of the Master Attendant's Department, and of this Resolution, be submitted to the Government of India, Department of Revenue, Agriculture, and Commerce.

Also that a copy of this Resolution be forwarded to the Officiating Deputy Master Attendant in charge.

Also that a copy of the Report, and of this Resolution, be forwarded to the Chamber of Commerce.

Also that a copy of the Report and the Resolution be forwarded to the Port Commissioners.

Copy of the Report, and of this Resolution, forwarded to the Bengal Chamber of Commerce for information.

Lighting the approaches to the Hooghly.

From Govt. of Bengal to Chamber of Commerce.

Calcutta, 25th May 1877.

I am directed to forward the marginally noted correspondence on the subject of the lighting of the approaches of the river Hooghly, and to request that the Chamber will favor the Lieutenant-Governor with an early expression of its opinion on Commander Taylor's scheme.

Letter No, 102 of the 17th March 1877, from the Government of India, with enclosures.

No. 102, dated Calcutta, the 17th March 1877.

From—C. J. LYALL, ESQ., Under-Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce,

To—The Secretary to the Government of Bengal, General Department.

Referring to Mr. Macaulay's letter No. 3249, dated the 14th December last, on the subject of the lighting of the approaches to the Hooghly, I am directed to forward, for consideration and the submission of such proposals as may be deemed neces-

Copy of letter from Superintendent of Marine Surveys, No. 759, dated 29th September 1876 (with two charts in original), to be returned.

Copy of letter of Superintendent of Marine Surveys. No. 17, dated the 16th January 1877.
Copy of letter from Superintendent of Marine Surveys, No. 34D.B., dated the 29th January 1877.
Copy of letter from Superintendent of Marine Surveys, No. 73D B,, dated the 14th February 1877 with enclosures,
Copy of letter from Superintendent of Marine Surveys, No, 92D B,, dated the 3rd instant.

sary by His Honor the Lieutenant-Governor, the papers noted on the margin, containing the recommendations of Captain Taylor, the Superintendent of Marine Survey, on the matter. Should any proposals involving fresh expenditure be submitted, it should be explained how the expenditure is to be provided for.

No. 759, dated Calcutta, the 29th September 1876.

From—Commander A. Dundas Taylor, late N.I., Superintendent of Marine Surveys to the Government of India.

To—The Secy. to the Govt. of India, Dept. of Revenue, Agriculture, and Commerce.

In reply to your letter No. 229 (Commerce and Trade), dated 31st May 1876, I have the honor to state that, having well weighed the various opinions as to the best means of lighting the approaches to the Hooghly and the Mutlah, which were submitted to a committee in 1867, just nine years ago; and taking into consideration that since then the Mutlah river has been set aside as being a superfluous port, whilst on the other hand a brisk passenger and goods traffic by steamers has been initiated between Calcutta and False Point, and also with Chandbally, a town up the Dhumrah river, I now submit the following scheme as, in my opinion, affording the greatest improvement to the lighting of this port of Calcutta, both as affects economy and practical efficiency, illustrated by two charts. At the same time it will

confer immense advantages upon the trade of the province of Orissa, rendering that country and Bengal more mutually helpful in times of famine.

1. *Firstly,* comes the question as to the best method of placing the neighbouring lights so as to enable the navigator to make his "landfall." This is demonstrated on chart A.

2. *Secondly,* is the consideration of the best arrangement of the Gasper Channel lights. This is given on chart B.

3. I am confident that some small lights are needed for the western channels below Cowcolly in the interest of the small coasting vessels; but, without a thorough resurvey of those channels it is impossible to suggest sites for lights.

4. The existing lights for the port of Calcutta are very costly, and at the same time comparatively inefficient. Indeed, were it not for the blue-lights which are burnt at stated intervals, the system of lighting this port would be in bad weather utterly inefficient. The lights are as follows:—

(1) False Point Light-house.
(2) Pilot's Ridge Light (for half the year.)
(3) Eastern Channel Light-vessel
(4) Mutlah Light-vessel.
(5) Lower Gasper Light-vessel.
(6) Upper Gasper Light-vessel. } (all alike.)
(7) Saugor Light-house.
(8) Cowcolly.

There must always be kept at least one spare light-ship; and we may reckon that during the next ten or twelve

years at least three more light-vessels may have to be built here or sent out from England.

5. Substituting five screw-pile light-houses whilst retaining only one light-vessel, we should have far more efficient lights for about two-thirds of the present cost in maintenance. My proposed lights are as follows:—

(1) False Point Light (first class).
(2) Pilot's Ridge Light-vessel (as before).
(3) Palmyras Point Light (revolving).
(4) Saugor Sand-tail Light (flashing).
(5) Dalhousie (Mutlah) Lighth-house (fixed).
(6) Lower Gaspar Light-house } (fixed, with *red* sec-
(7) Long Sand Light-house } tors).

The first cost of erecting those light-houses would be about 7¼ lakhs, but that sum might be recouped in ten or twelve years by the diminished cost of maintenance.

6. With regard to the "landfall" we must take the extremes of the seasons of the southerly (we can scarcely call it *here* the south-west) and the north-east monsoons. Firstly, taking the southerly monsoon, which commences before March at the Sandheads, and lasts till August, that is, the season of southerly winds with currents setting north-eastward along the Orissa Coast and eastward along the face of the Soonderbuns. From below False Point to the Santapilly rocks the Coast is as yet an unsurveyed region; therefore let not the navigator talk of making the land *below* False Point unless he can do so in the daytime. Those whose duty it is to give extra provision for the navigation of that Coast by putting up other lights dare not think of doing so till that Coast has been properly surveyed.

7. False Point Light-house is, then, the first "landfall." The present column, 120 feet high, is massive and strong; the platform on the top is about 19 feet diameter and could well carry a first-class fixed light, which I recommend should be put there.

8. Palmyras Point should have a screw-pile light-house placed in the vicinity of Short's tripod beacon. The height may be 80 feet; the light of second order, like that on the Oyster Reef, but revolving, and visible 15 miles from a vessel's deck, or 20 miles from the foreyard. If boring operations should indicate that this light-house might be placed further eastward on the Palmyras shoal in about one or two fathoms water, so much the better. The range would then be three or four miles greater.

9. The Pilots' Ridge Light-vessel from 15th March to 15th September bears a high character for usefulness, not on account of its masthead light, but from its hourly blue-light which is visible 20 miles from aloft (some people say 25 miles, but no proof of this is given.) I therefore strongly recommend the retention of this light as now, between mid-March and mid-September, but about 2 miles eastward of its present position. When the screw-pile light-house on Saugor Sand is erected, and the Eastern channel light-vessel done away with, the Ridge blue-light should be burnt at half-hourly intervals. The blue disk on chart A shows the 20 miles' range of the blue light, the inner circle being merely the narrow range of visibility of the masthead light.

10. The Saugor Sand Screw-pile Light-house is the largest structure which is needed. It should carry a first-class dioptric, fixed, and flashing light, like that of China Bakeer, but flashing every 15 or 30 seconds; it should be

elevated about 80 feet above high-water level, with a range of 15 miles from a vessel's deck, but of 20 miles from the foreyard. If its range of visibility and that of the Ridge blue-light be taken as only 18 miles, the chart A shows that they will overlap.

11. A great advantage in favour of scew-pile light-houses, and which I do not find hitherto noticed, is this: at low tide these structures stand higher out of the water and are consequently further visible. This is by no means an unimportant matter to vessels approaching the Sandheads.

12. With the strongest convictions that the site at the tail of Saugor Sand, as originally suggested by Colonel A. Fraser, R. E., is the proper one to adopt, as stated by all but two or three witnesses before the Light-house Committee, and for reasons of my own, which I shall give presently, I will here write down what the Secretary of the Trinity House has put on record as the opinions of the Elder Brethren. (See letter dated 18th December 1868, from R. Allen, Esq.)—" Having made False Point, vessels have no need to go to the northward of the Pilot's Ridge, and should not do so. The soundings are a safe guide, and vessels can cross with safety, and assure themselves of a weatherly position by making the light-vessel (Pilots' Ridge); which should be brought, as proposed, to the south-west edge of the Ridge, and the difference is of the greatest value to seamen, being that of a weatherly or seawardly position. From this vessel a course should be shaped to the present floating-light, or a light-house, if practicable on the tail of Saugor Sand, no light being required on the Eastern Reef, as the soundings over its tail answer every purpose for a

guide." And again, a little further on:—"The Elder Brethren see no necessity for the light on the Eastern Sea-Reef in addition to that on Saugor Sand." I think after this we may safely dismiss all thought of a light-house for the Eastern Sea-Reef.

13. But I would also point out that the deepest water of the Eastern Channel is along the west edge of Saugor Sand; thence the water gradually shoals over towards the Eastern Sea-Reef. It will be readily undestood that gradually shoaling water will always warn a pilot of the vessel's approach to the Eastern Sea-Reef; but near the Saugor Sand the deepest part of the channel is found. Obviously the lights should be along the deep water sides of the shoals. (This remark applies also to the Gaspar Light-houses, about which I shall speak presently).

14. The method of contouring the shoals (known by the generic name of *Sandheads*, but which, as Colonel Fraser says, should, with more propriety, be called the *Sandtails*) at the Hooghly entrance which has hitherto been adopted by successive river surveyors and even copied on the Admiralty charts, is altogether wrong, and gives a fictitious shape to those outlying banks of sand which border the fair channels. In red and blue lines I have drawn on the chart A. these contours as they should be. Without accurately depicting them thus, it is simply impossible to judge where light-houses or light-vessels should be placed. The Pilots' Ridge is in reality very little of a *ridge*; its distinctive character is derived from the deposits that cover its crown, the sand, and black and red specks and shells which are found at the bottom and brought up by the lead. Outside of the ridge is found mud, and inside to the northward of it there is principally mud.

15. THE TAIL OF THE DALHOUSIE FLAT in 3½ or 4 fathoms is the site I propose for the eastern landfall light of the Hooghly, whilst at the same time it is the position where a light would best guide ships in the south-west monsoon out of the Eastern Channel of the Mutlah. In the event of it being ever again necessary to recognise the Mutlah as a port for shipping, an inner light on the elbow of Bulcherry Sand (with a stream of bright light down the fair channel between two red sectors, which should guard the Bulcherry and Roy Mutlah Sands) would perfectly light the Western Channel also for inward-bound vessels. It should be noticed that when the Light-house Committee asked certain questions about lighting the Mutlah, they had not the latest survey of that river before them to found their conclusions upon; at least the proposed light-houses were placed on an antiquated chart. Correct charts are a first essential in any endeavour to arrive at a just conclusion.

16. THE DALHOUSIE TAIL LIGHT will go far to span the lightless gap between Calcutta and Chittagong, and is indeed one of the pre-requisites of the ocean traffic which would give an impetus to the reclamation of the Soonderbuns. This light, with one on the outer shoal bank about 25 miles to the south-south-east of Landfall Point (entrance of Hooringottah, Port of Morrelgunge) and another on the south patches shoal off the Chittagong coast, are all the imperial landfall lights which are required between Calcutta and British Burmah.

17. The feeling of safety that such lights would impart to the mariner would, I venture to think, induce many to seek cargoes at Morrelgunge and the Sundeep Channel, and prove a valuable incentive to ship-masters

and rice-growers to open out new ports, tapping the trade of the Soonderbun districts, which have rivers and harbours in plenty, equal to Cochin, Coconada, False Point, Akyab, or Bassein, but at present too dangerous to approach in the absence of any lights.

18. The last two paragraphs are rather a diversion; but still I feel it right always to consider general as well as local exigencies in discussing the question of lights. A proper arrangement of lights with distinctive features can only thus be arrived at.

19. I think chart A. will show that the approach to the Hooghly during the southerly monsoon primarily requires three light-houses to replace the three light-vessels —Eastern Channel, Mutlah, and Lower Gaspar. If thought of too little consequence as a supplementary light, the erection of Palmyras Point Light-house might be deferred; but it will be valuable in the north-east monsoon to ships approaching on a north-west course which are swept by the current to the westward just out of range of Saugor Sand Light (see track S. S. in yellow on chart A), whilst all the year round Palmyras light will benefit Orissa and the coasting trade generally.

20. The annexed tabular statement will show that the annual cost of maintenance of the light-houses, together with interest on the money borrowed to build them, is about half that for light-ships, whilst, under all conditions of weather, the lights of the former can be seen much farther off. Reckoning the half-hourly blue light at the ridge, a continuous line of light more than 100 miles in length will be met by the mariner during the south-west monsoon, as he approaches the Sandheads on an average

N. N. E. course. (*See* parallel *red* lines on chart A). If he approaches on a N. N. W. or N. W. course—a course for which he has no warrant and can have little reason at that time of year— he might run during the prevalence of thick hazy weather into two small gaps (*see* the green lines on chart A); but attention to the lead would always forewarn him of his position.

21. THE PILOT BRIGS—As the indiscriminate burning of blue lights must tend to increase the mariner's perplexities when he arrives off the Sandheads, I propose that the supply pilot brig should always burn a red light, and the taking-out brig pale green light. With the present wonderful success in pyrotechnics, these distinctive lights could be easily furnished. In a gale of wind the two pilot brigs could thus be always recognized. A ship arriving off the Sandheads would thus know which brig to keep in sight of. I need scarcely remark what an inestimable benefit the Saugor Sand Light-house would be to the pilot brigs.

22. Now I propose to look at the above suggested system as it would work in the north-east monsoon. At that season, the Ridge light being removed, a large gap in the line of lights is left. At that time of year this is of little consequence, as the Soonderbuns seaboard is then a weather shore. Palmyras Shoals will be guarded by the new revolving light to be erected there. The soundings midway between Saugor Sand Light and Palmyras Light will be a sure guide. The muddy bottom of the entire Balasore Bay is good holding ground, and if a sailing ship gets in there by bad management and neglect of the lead, she will not be in a dangerous position.

23. The light on the tail of the Dalhousie Sand off

the Mutlah will be of the greatest benefit during the north-east monsoon, not only to sailing ships bound to Calcutta from Europe and Australia, America, and Africa, but to the steam traffic that approaches Calcutta all the year round from Chittagong, Akyab, and Burmah generally. The lead is an excellent guide off the mouths of the Mutlah. Safety is ensured by not coming under depths of eight or nine fathoms at low water, or ten fathoms at high water.

[*N. B.*—I think no more need be said upon the important subject of the "landfall."]

24. For lighting the Eastern Channel up to Saugor Roads we want two screw-pile light-houses in the room of two light-ships and one light-house. The existing Saugor Light-house is of very negative value. Of course it is better than nothing at all, but it is too far inland to be of real value. The same may be said of Cowcolly Light-house, but I fancy the native coasting vessels find this light very useful.

25. The Lower Gaspar Light-house should have a *fixed* white light, elevated about 60 feet; it should be about two cables within the western edge of Saugor Sand in latitude 21023½' N., or about 16 miles S. E. by S. of the present Saugor Light-house. The deepest water of the Eastern Channel runs along the Saugor Sand, a fact which shows that the light will be rightly placed there. (See paragraph 13).

A *red* sector can be made to stream from this light to the southward and guard the edge of the sand. A similar *red* sector to the north-west will guard the tail of the flat off Saugor south point.

26. The Long-sand Light, about four miles south-west of the present Saugor Light-house, is my proposed substitute for the Upper Gaspar Light-vessel and the Inland Saugor light. A screw-pile light-house, about 50 feet high, showing a *fixed*, dioptric, bright light of second or third order, throwing a sector of red light to guard the north end of the middle ground in a south-east direction; and a similar red line to guard the shoal water off the west side of Saugor Island. (See chart B.) The Gaspar Channel will thus be beautifully marked throughout by the bright light at each end. At the moment when either light begins to change to red, the pilot will know he is out of the fair-way track. Any alteration rendered necessary by the growth of the sands on either side of the channel can be speedily effected by slightly moving the sectors of red light.

27. Anchorage to leeward of the Long-sand Light-house in south-west monsoon.—Another advantage gained by placing a light on the Long-sand will be that an incoming or outward bound vessel may choose a good anchorage to leeward of that sand, and thus be better sheltered from the S. by W. monsoon swell at high water. At present she has only the Saugor Light to set as a cross bearing, and that light is on the wrong side of the channel.

28. The Cowcolly Light-house is of a very negative value. Yet I do not recommend its removal till a thorough good resurvey has been made of all the channels to the south and the south-west of it.

29. Both at the Long-sand Light-house and the Lower Gaspar there should be good tide gauges, so marking the

amount of rise as to allow it to be read with binoculars at one mile off; or the rise may be indicated by flags which will be visible much further.

P. S.—I wish to add to the above that the question of placing another light-ship during south-west monsoon at the tail of the middle ground, about eight miles to southward of the Lower Gaspar light-vessel, has been seriously entertained at the Bankshall and submitted to the Government of Bengal. This is surely a confession that the existing light-ships are inadequate.

No. 17, dated Calcutta, the 16th January 1877.

From—C. J. LYALL, ESQ., Under-Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce,

To—The Superintendent of Marine Surveys to the Government of India.

Referring to your letter No. 759, dated the 29th September last, on the subject of the lighting of the approaches to the Hooghly, I am directed to forward copy of a letter No. 3249, dated the 14th December last, from the Government of Bengal, with its enclosures and the accompanying chart in original (to be returned), in which a proposal is made to place an additional light-vessel between the Lower Gaspar and the Eastern Channel light.

2. The Government of India understand from the postscript, dated the 23rd October last, appended to your letter of the 29th September, that you were aware that this proposal was about to be made, and that if the recommendations offered in your letter are adopted it will be unnecessary to carry it out.

3. But as those recommendations, even if sanctioned, could not be fully carried into effect at once, I am to enquire whether you are in favour of the suggestion made by Lieutenant Warden, and supported by the Government of Bengal, that a light-vessel should be stationed in the position indicated from the 1st April to the 31st October.

4. A very early reply is requested.

No. 34 D. B., dated Calcutta, the 29th January 1877.

From—COMMANDER A. DUNDAS TAYLOR, late I. N., Superintendent of Marine Surveys to the Government of India.

To—The Secy. to the Govt. of India, Dept. of Revenue, Agriculture, and Commerce.

Referring to letter No. 17 (Commerce and Trade), dated 16th January 1877, which came to hand on 27th, after my return from Chittagong, I have the honor to state that I am in favour of the Master Attendant's suggestion that an intermediate light-ship should be stationed between the Gaspar and Eastern Channel lights from 1st April to 31st October. The position indicated by the Master Attendant and the description of light are, in my opinion, the best available.

2. I shall be glad to receive the earliest information of this additional light-ship being sanctioned, so that she may be noted in our new light list at once.

3. After reading the Master Attendant's comments on the opinions given by members of the Pilot Service, I wish to make a few more remarks on the subject of pro-

perly lighting the Hooghly entrance, but as these remarks do not affect the question of placing the temporary intermediate light, I will postpone them for a short time.

P. S—The chart sent with your letter under reference is herewith returned.

No. 73 D. B., dated Calcutta, the 14th February 1877.

From—COMMANDER A. DUNDAS TAYLOR, late I. N., Superintendent of Marine Surveys to the Government of India.

To—The Secy. to the Govt. of India, Dept. of Revenue, Agriculture, and Commerce.

In continuation of this office letter No. 256 D. B., dated the 24th October last, I have the honor to forward herewith the tabular statement showing the annual cost of maintenance of the light-houses proposed to be built in the Hooghly river and its approaches, in comparison with the cost of the existing light-vessels, referred to in paragraph 20 of this office letter No. 759, dated the 29th September 1876.

2. Since the submission of my scheme for lighting the approaches to the Hooghly, it has been proposed to place an additional light-vessel between the Lower Gaspar and the Eastern Channel light. This is a clear acknowledgment that the existing lights are insufficient for the safety of navigation. I have therefore added the cost of the sixth light-ship.

3. It will be seen that the annual up-keep under my proposed arrangement will be only a trifle more than one-half the present expenditure.

No. 92DB., dated Calcutta, the 3rd March 1877.

From—COMMANDER A. DUNDAS TAYLOR, late I. N., Superintendent of Marine Surveys to the Government of India.

To—The Secy. to the Govt. of India, Dept. of Revenue, Agriculture, and Commerce.

In continuation of this office letter No. 73 D. B., dated the 14th February last, I have the honor to forward a revised statement showing the annual cost of maintenance of the light-houses proposed to be built in the Hooghly river and its approaches, in comparision with the cost of the existing light-vessels, and to request that you will be good enough to substitute it for the former statement. The figures regarding light-vessels in the statement herewith sent have been obtained from the statement showing the cost of establishment, stores, including oil, &c., provisions, contingencies, and repairs of light-vessels forwarded to this office with your endorsement No. 67 (Commerce and Trade), dated the 22nd February, a week after my previous statement had been submitted. The figures in the last statement were furnished by the Examiner of Dock-yard accounts. It will be seen that there is much difference between them and the items in the statement now sent.

I would here request that the Officiating Deputy Master Attendant of Calcutta may be asked to inform me what light-ships have been lost in the Hooghly river during the last thirty years, and what was the original cost of each vessel.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 21*st June* 1877.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 6 of 25th ultimo on the question of lighting the approaches to the Hooghly, and to state as they have no professional experience of the subject they are not in a position to offer an expression of opinion on Captain Taylor's scheme, but that they will gladly welcome the introduction of any means calculated to improve the lighting of the Sandheads and neighbouring channels of approach from the sea.

Reported abolition of sorting Overland letters at Sea.

Chamber of Commerce to Post Master General.

Calcutta, 5*th May* 1877.

"The Englishman" newspaper of this morning contains a telegram from Bombay to the effect that sea sorting of letters is to be abolished in July, except for Bombay; and that the change will delay the Calcutta and Madras delivery by 12 hours. With reference to this announcement I am directed to enquire if there is any foundation for this reported arrangement, and whether any measures are in contemplation by which the prompt delivery of our overland mails shall be continued as heretofore.

If the telegram is correct, it will be the duty of this Chamber to protest against so partial an application of

the sea sorting process and conceding to the Presidency of Bombay alone postal advantages to which Madras and Bengal and other parts of India are equally entitled.

From the Post Master General to the Chamber.

Calcutta, 5th May 1877.

In reply to your letter dated 5th instant, I have the honor to state that I have no official information to the effect of your letter, and think it extremely unlikely that any such delay as that supposed will occur. I have asked the Director General to let me know what is the truth, and shall again address you on hearing from him.

From Post Master General to Chamber.

Calcutta, 18th June 1877.

In reply to your letter dated 5th May last and in continuation of my No. 2723 of the same date, I have the honor to inform you that I learn from the Director General that no such detention of mails as you contemplate will take place.

From Chamber to Post Master General.

Calcutta, 25th June 1877.

The Committee of the Chamber of Commerce desire me to thank you for your letter of the 18th instant, from which they were glad to learn that the detention of overland mails for Calcutta which it was apprehended would be occasioned by the sea sorting process being discontinued as reported some weeks ago, will not take place.

As this matter was one of interest to the commercial and general public of Calcutta the Committee have had the correspondence between yourself and the Chamber published for general information.

Presidency Courts of Small Causes.

From Govt. of Bengal to Chamber of Commerce.

Darjeeling, 10*th September* 1877.

I am directed to forward herewith for the information of the Chamber a copy of a letter No. 1231 of 13th August 1877 from the Government of India in the Home Department, from which it will be seen that the subject of amending the law relating to Presidency Courts of Small Causes is still under the consideration of the Supreme Government.

From Govt. of India to Govt. of Bengal.

Simla, 13*th August* 1877.

With reference to the correspondence ending with your letter No. 2042 of the 20th April last, on the question of reducing the work of the High Court by an extension of the Jurisdiction, or an amendment of the procedure, of the Presidency Town Small Cause Court, I am directed to say that the Governments of Madras and Bombay have been requested to submit their opinion on the several new points raised in the papers received with your letter. Early replies have been asked for and the Government of India will dispose of the case as soon as possible; and, if legislation be necessary, will endeavour to legislate on the subject in Calcutta next cold season.

THE PORT OF ROUEN.

From Consul General for France to Chamber.

Calcutta, 15th August 1877.

The Chamber of Commerce of Rouen has thought good to draw the attention of foreign merchants and ship-owners on the good conditions of navigableness of the River Seine and on the advantages of the port of Rouen, its quite advantageous situation on account of the many communications which connect this port with all the points of France either by railways or by rivers.

For this purpose a table has been made showing the results of the year 1876. This document proves that the advantages of the port of Rouen have been yet appreciated by many French and foreign merchants, that, on the other side, the river which gives way to this port presents all the desirable security on account of the height's perfect regularity which the mimimum keeps up generally to 5 metres or more than 16 English feet.

The Chamber of Commerce of Rouen thinks that the statement of these results may altogether dissipate some prejudices which could be yet in the mind of some ship owners and foreign captains in regard to the condition of navigability of the River Seine. Those prejudices were reasonable, twenty years ago, but since this time the works executed by the French Government have dispelled the dangers of navigation and made easier the river's access.

The President of the Chamber of Commerce being

wishful that the maritime commerce of India may take knowledge of the above mentioned table intended to make known abroad the present condition of the port of Rouen and the good results obtained recently, I have the honor to forward you enclosed two copies of this document begging of you to give it in communication to the merchants or ship-owners who would like to look over it.

No. 354.

From Govt. of India, to Govt. of Bengal.

Simla, dated 6th Sept. 1877.

I am directed to forward for communication to the Chamber of Commerce at Calcutta, the accompanying statements shewing the rising commercial importance of Rouen and giving particulars in regard to the navigation of the river Seine.

The Consul General for France at Calcutta desires the information there given to be made known to merchants and ship-owners, and I am to request that this may be done.

No. 2712.

Copy with the statement in original, forwarded to the Chairman to the Chamber of Commerce for communication to merchants and ship-owners.

By order of the Lieutenant-Governor of Bengal.

(Sd.) H. H. RISLEY,
Offg. Under-Secy. to the Govt. of Bengal.

GENERAL DEPARTMENT:
MARINE,
CALCUTTA,
The 18th Sept. 1877.

NEW MEMBERS.

MESSRS. Oldmeyer and Hadenfeldt, and Messrs. Bullock Wellstead and Co. of Cuttack, have been elected by the Committee members of the Chamber, subject to confirmation.

FUNDS OF THE CHAMBER.

THE Chamber's balance on 31st October amounted to Rs. 2,760-9-1, exclusive of Rs. 12,000 in 4 per cent Government Securities.

DUNCAN MACKINNON,
President.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce from 1st May to 31st October 1877.

		Rs.	A.	P.			Rs.	A.	P.	Rs.	A.	P.
To Office Rent ...	...	900	0	0	By Balance of 1st May 1877—							
„ Establishment	...	5,361	0	0	Cash in Bank of Bengal...		20	5	0			
„ Charges General	...	4,243	10	10	„ „ hand	...	1,204	15	8			
		10,504	10	10						1,225	4	8
„ Balance—					„ Government Paper	...		...		12,000	0	0
Cash in Bank of Bengal	499	1	10		„ Interest thereon	...		...		480	0	0
„ in hand ...	2,261	7	3		„ Subscriptions ...	...	8,016	0	0			
Government Paper ...	12,000	0	0		„ Price Current and other publications	...	3,543	15	3			
		14,760	9	1						11,559	15	3
	Rupees	25,265	3	11			Rupees			25,265	3	11

CALCUTTA,
31st Octr. 1877.

E. E.

H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the PORT OF CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 12th February 1872, with effect from 1st September 1872, except as regards the measurement of Cotton, Hemp, Jute, Jute Cuttings, Rhea, Safflower, and other articles similarly packed, which, under the Chamber's Resolution of 14th June 1872, had effect from 1st July 1873.

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Aloes, in bags and boxes	20	.....
Alum, in ditto	20	.....
Aniseed, in bags	8	.....
Arrowroot, in cases	.....	50
Arsenic, in bags or cases	20	.....
Asafœtida, in bags and boxes ...	20	.....
Apparel, in boxes	.....	50
Bark, in bags	8	.....
Bees' Wax	20 gross	
Barilla	20	.....
Betel-nut	20	.....
Books	.....	50
Borax	20	.....
Bran	14	.....
Brimstone	20	.....
Bullion	at per cent.	
Cake-lac, in bags	16	.....
Camphor, in cases	.....	50
Cardamoms, in robins	8	.....
,, boxes	.....	50
Cassia, in boxes	.....	50
,, bags	12	.....
Castor Seed	15	.....
Chillies, (dry) in bags	8	.....
China Root, in bags	11	.....
,, boxes	.....	50
Chiretta	.....	50
Churrah	14	.....
Cigars	.....	50
Cloves, in bags	8	.....
,, boxes	.....	50
Coals	20	.....
Cochineal	.....	50
Coffee, in bags	18	.....
,, casks	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Coral, rough	20	.....
Coir, loose and unscrewed ...	12	.....
Copras, or Cocoanut Kernel ...	14	.....
Coriander Seed	12	.....
Cotton	.....	50
Cowries	20	.....
Cummin Seed	8	.....
,, Black.	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
,, dry	16	.....
Dholl	20	.....
Elephants' Teeth in bulk	20	.....
Furniture	.....	50
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Gums, in cases	.....	50
Gunny Bags and Gunny Cloth ...	.....	50
Gunjah	.....	50
Hemp	.....	50
Hides, Buffalo, or Cow, cured ...	14	.....
Hoofs, Horn Shavings and Tips ...	20	.....
Horns, Cow, Buffalo, or Deer ...	20	.....
India Rubber, in bags	16	.....
,, in cases	.....	50
Indigo	.....	50
Iron	20	.....
Jute	.....	50
Jute Cuttings	.....	50
Lac Dye	.....	50
Lard	20 gross.	
Linseed	20	.....
Mace	.....	50
Machinery	20	.....
Metals	20	.....
Mathie Seed	18	.....
Mirabolams	16	.....
Molasses	2 puncheons or 4 hhds.	
Mother o'Pearl, in bags	20	.....
,, chests	20	.....
Munjeet	.....	50
Mustard or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	.....	50

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	50
„ casks	4 hhds.	
Opium	per chest	
Paddy	16	.....
Palmatine, in bags	16	.....
Peas	20	.....
Pepper, Long	12	.....
„ Black	14	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Putchuck	10	.....
Rags	.....	50
Raw Silk, in bales	10	.....
Rattans for dunnage	20	.....
Red Wood, ditto	20	.....
Rhea	.....	50
Rice	20	.....
Rope, in coils	... ..	50
„ Lines and Twines, in bundles ...	16	.....
Rum, in casks	2 puncheons or 4 hhds.	
Safflower	.....	50
Sago, in cases	.....	50
Sal-amoniac, in bags	20	.....
„ boxes	20 gross.	
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	.....	50
Seed-lac, in cases	.....	50
„ bags	16	.....
Senna	.....	50
Shells, rough, in bags	20	.....
Shell-lac, in cases	.....	50
„ bags	16	.....
Silk Chussum	.....	50
„ Waste	.....	50
Silk Piece Goods	.....	50
Skins	14	.....
Soap, country, in cases	.....	50
„ bags	15	.....
„ bar	20	.....
Stick Lac, in cases	.....	50
„ bags	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Sugar	20	.....
Tallow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks.. ...	20	.....
Tapioca	.....	50
Tea	.....	50
Teel Seed	20	.....
Timber, round	.....	40
,, squared	.....	50
Tincal	20	.....
Tobacco, in bales	16	.....
Tortoise Shells, in chests	.....	50
Turmeric	16	.....
Wheat	20	.....
Wool	.....	50

1. Goods in Casks or Cases to be calculated gross weight when paying freight by weight; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in bales varying from 300 to 400 lbs.

4. The term "dead weight" shall be understood to mean the following articles:—Sugar, Saltpetre, Rice, Wheat, Gram, Dholl, Peas, Linseed, Rapeseed and all Metals.

H. W. I. WOOD,

Secretary.

SCHEDULE OF COMMISSION CHARGES,

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce held on the 18*th June* 1861,—*with effect from* 1*st January* 1862.

1.	On the sale, purchase, or shipment of Bullion, Gold Dust or Coin	1 per cent.
2.	On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones, or Jewellery	2½ ,,
3.	On purchasing ditto when funds are provided by the Agent	5 ,,
4.	On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ...	5 ,,
5.	On returns for Consignments if made in produce ...	2½ ,,
6.	On returns of Consignments if in Bills, Bullion, or Treasure	1 ,,
7.	On accepting Bills against Consignments ...	1 ,,
8.	On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ...	2½ ,,
9.	On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn ; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2*s.* per rupee.	half com.
10.	On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent ...	2½ per cent.
11.	On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived	2½ ,,

12.	On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money	2½	per cent.
13.	On *del-credere* or guaranteeing the due realization of sales	2½	,,
14.	On the management of Estates for Executors or Administrators	2½	,,
15.	On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading	2½	,,
16.	On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ...	2½	,,
17.	On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive	5	,,
18.	On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings	5	,,
19.	On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file	2½	,,
20.	On realising inward freight, inward troop, Emigrant, or Cabin passage money	2½	,,
21.	On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ...	5	,,
	If Opium, Indigo, Raw Silk, or Silk Piece Goods...	2½	,,
	If Treasure, Precious Stones, or Jewellery ...	1	,,

22.	On effecting Insurances, whether on lives or property	½	per cent.
23.	On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium	2½	„
24.	On drawing, purchasing, selling, or negotiating Bills of Exchange	1	„
25.	On debts or other claims when a process at law or arbitration is incurred in claiming them ...	2½	„
	Or if recovered by such means	5	„
26.	On Bills of Exchange returned dishonored ...	1	„
27.	On collecting House Rent	2½	„
28.	On ship's Disbursements	2½	„
29.	On realising Bottomry Bonds, or negotiating any loan on *respondentia*	2½	„
30.	On granting Letters of Credit	1	„
31.	On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another	½	„
32.	On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value	½	„
33.	On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged	½	„

☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

Aikman, J., Esq., *Acting Agent, Chartered Bank of India, Australia and China.*
Agelasto, A. and Co.
Apcar and Co.
Ashburner and Co.
Anderson, Wright and Co.
Barlow and Co.
Begg, Dunlop and Co.
Buskin, E. G.
Burn and Co.
Bulloch Wellsted and Co., *(Mofussil.)*
Carlisles Nephews and Co.
Carritt & Co.
Cochrane, S., *Manager, Agra Bank, Limited.*
Colvin, Cowie and Co.
Crooke, Rome and Co.
Cox, Henry S.
Cohn Brothers and Co.
DeSouza, Thos. and Co.
Duncan Brothers and Co.
Dwarkanath Dutt and Co.
Ede and Hobson.
Ernsthausen and Oesterley.
Ewing and Co.
Elliott, John and Co.
Ezra, E. D. I.
Fergusson, J. H. and Co.
Finlay, Muir and Co.
Gisborne and Co.
Got, Bru & Co.
Graf and Banziger.
Graham and Co.
Grindlay and Co.
Gubbay, Elias S.
Harper, G. Esq., *Agent, Oriental Bank Corporation.*
Henderson George and Co.
Heilgers, F. W. and Co.
Herbert, C. H., Esq., *Agent, Chartered Mercantile Bank of India, London and China.*
Hoare, Miller and Co.
Howe, Goodwin & Cole.
Huber and Co.
Jardine, Skinner and Co.
Kettlewell, Bullen and Co.
Kelly and Co.
Ker, Dods and Co.
King, Hamilton and Co.
Longmuir, T., *Manager, Delhi and London Bank, Limited.*
Mackillican, J. and Co.
Macallister, R. and Co.
Mackinnon, Mackenzie and Co.
Mackenzie, Lyall and Co.
Macneill and Co.
Macknight, Anderson and Co.
McIntosh, A. R. & Co.
Moran, W. and Co.
Morriss, E., *Agent, Hong-Kong and Shanghai Banking Corporation.*
Nicol, Fleming and Co.
Oldmeyer and Hadenfieldt.
Payn, T. Esq., *Manager, Comptoir d'Escompte de Paris.*
Petrocochino Brothers.
Prawnkissen Law and Co.
Prestage, F. Esq., *Agent of the Eastern Bengal Railway Company.*
Ralli Brothers.
Ralli and Mavrojani.
Reinhold and Co.
Robert and Charriol.
Rentiers and Co.
Schroder, Smidt and Co.
Schoene, Kilburn and Co.
Sassoon, David and Co.
Shaw, Finlayson and Co.
Steel, Octavius & Co.
Thomas, J. and Co.
Turner, Morrison and Co.
Toulmin, L. W. and Co.
Tamvaco and Co.
Tambaci, Paul and Son.
Ullmann, Hirschhorn and Co.
Valetta, N. J. and Co.
Weinholt Brothers.
Wilkinson, Captain C. J., *Superintendent P. & O. Company.*
Wilson, H. F., (*Mofussil.*)
Windram, J., *Manager, National Bank of India.*
Whitney Brothers and Co.
Williamson Brothers and Co.
Wiseman, Mitchell, Reid and Co.
Yule, Andrew and Co.

Honorary Member.
J. A. Crawford, C. S., late Collector of Customs.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

First .... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second.... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.

Third....That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.

Fourth....That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth.....That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth ... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven Members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth.... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature ; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the Members of the Committee shall be forthwith filled up by selection by the Committee subject to approval at first ordinary general meeting thereafter.

☞ *It is specially requested that before a Member is returned to serve on the Committee his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.*

Ninth... That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.

Tenth... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.

Eleventh. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record .of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.

Twelfth. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Thirteenth. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting, at which such report and proceedings of the Committee shall be submitted for approval.

Fourteenth. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Fifteenth. That General Meetings of the Chamber shall be held at such times as the Com-

mittee may consider convenient for the despatch of business.

Sixteenth. That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.

Seventeenth. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.

Eighteenth. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.

Nineteenth. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.

Twentieth. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.

Twenty-first. That the Chamber reserves to itself the right of expelling any of its members;

such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third... That no change in the rules and regulations of the Chamber shall be made except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

Cones and Co., No. 307, Bow Bazar Street.

REPORT

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st November 1877 to 30th April 1878.

Calcutta:

Jones & Co., No. 307, Bow Bazar Street.

1878.

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Proceedings of the Half-yearly General Meeting of the Bengal Chamber of Commerce held on Friday the 31st May 1878.

S. COCHRANE, ESQ., *Vice-President*, in the Chair.

The Chairman, in opening the proceedings, said that since their last meeting, Mr. Duncan Mackinnon, President of the Chamber, had for the time being left Calcutta, and it therefore fell to his lot to address to them such few remarks as the report now before them might suggest. Their last meeting was held on the 18th February, the assembling of the Chamber on that occasion having for various reasons been delayed, so that the report now in their hands covered a period of about four months only. On the occasion of this the meeting for the closing six months of their year it was necessary to be more punctual in point of time, as it was now that representatives for the ensuing year fell to be elected by the Chamber, and it was desirable that no delay should take place in the new Committee entering upon their duties.

The first subject alluded to in the report was the *Budget for the present financial year*, a *resumé* of which was inserted as usual for facility of re-

ference. With the provisions of the budget they were all familiar, and such of them as had had the special attention of the Committee would be referred to under the particular heads.

Since the report was in type, the Government notification regarding the new loan has been issued, and the terms on which the loan is proposed to be raised seem to offer an inducement to investors to subscribe the sum required.

The next matter which claimed attention was the *Overland Mail contract.* At their last meeting the President placed before the Chamber the Committee's views generally on this important subject, which were accepted and passed, with the addition of an amendment relating to the maintenance of direct communication between India and some point in England. In pursuance of the proceedings on that occasion, a letter was afterwards addressed to the Director-General of the Post Office, embodying the views adopted by the Chamber. To that communication they had as yet received no reply, but no doubt its contents had had the full consideration of Government. It was most important that the Indian Mails should be carried with the greatest amount of speed that could be secured consistent with regularity; and the performances of some of the American steamers—notably the vessels belonging

to the White Star and other lines—showed that the present contract rates of speed fell very far short indeed of what was practicable even in Eastern waters.

The next subject was the *License Act*, which was also discussed at their last meeting. The tax levied under this Act was not very burdensome, but it was imposed so unequally, and proceeded on assumptions so incorrect, that the Committee deemed it their duty to memorialise the Secretary of State, praying that his sanction be withheld from the measure in its present shape. The Act was really a revival of the old income tax with this difference that *now* the tax was levied from one class only of the Queen's Indian subjects.

Members would be pleased to notice from the correspondence that there was every prospect of a considerable reduction being made this year in *jetty charges*. The Committee felt some difficulty in replying to the Port Commissioner's reference on the subject of these reductions, as so many considerations necessarily entered into the question of an equitable distribution of the proposed amelioration in these charges. It was hoped, however, that their action in the matter would meet with approval generally.

The next matter was the *abolition of import*

duty on certain descriptions of cotton goods. The memorial sufficiently explained the objects the Committee had in view in addressing Government on the subject. These briefly were to point out the anomaly of retaining on the tariff certain descriptions of goods corresponding in quality to those exempted by name, inasmuch as the principle on which the legislation seemed to proceed was "the quality or fineness of the yarn" of which the goods consisted. On the other hand, if the intention really was to exempt only those articles specially described in the notification, the Committee had asked Government to issue an intimation to that effect. The Committee were careful to avoid the expression of any opinion on the policy of abolishing these duties: the Chamber represented many and varied interests, and it was believed that considerable diversity of opinion existed amongst individual members on this subject.

The next subject was the *Jute Warehouse Act,* and the correspondence now printed gave hope that material improvement would speedily be effected in the administration of this law. The communication addressed to the Municipality on the subject by the Bengal Government left little further to be said by the Chamber, as His Honor condemned the administration of the Act as strongly as could be desired.

It appeared from the figures contained in the Lieutenant-Governor's letter that whilst the total cost of the Fire Brigade in 1876 was Rs. 15,698, the fees collected under the Act in Calcutta alone amounted to Rs. 29,291, and adding the suburban's collections, the revenue under the Act from this source was augmented to Rs. 50,085. Out of the surplus so created a grant of Rs. 16,552 was made to the Alipore Lock Hospital (a grant they would observe which exceeded the entire cost of the Fire Brigade); in addition to which a sum of Rs. 10,000 was applied in aid of the general funds of the suburban Municipality. Such an irregular disposal by the Municipality of funds raised for a special purpose at the expense of an unprofitable branch of business would seem almost incredible were it not that the figures he had quoted were taken from the Lieutenant-Governor's own statement.

The next subject is the *complaint of cargo boat-owners against the River Police,* a copy of which the Committee sent up at once to the Bengal Government that enquiry might be made into the matters complained of.

The next subject is the proposed new *Bills of Exchange Act,* a copy of which was submitted to the Committee for consideration. The Committee, as will be seen, recommended a number

of minor alterations. Section 26 provided that Bills and Notes falling due on a public holiday should be payable on the day after, and section 42 provided that a partner in a firm might bind the firm by signing his own name. To both of these provisions the Committee objected. No sufficient reason appeared to exist for altering the present practice which makes a Bill of Exchange or Promissory Note falling due on a public holiday payable on the day preceding, and it was also recommended that when a partner signed for his firm he should be bound to use the firm's name and not his own.

The amended *Bill to define the law relating to Master and Servant* had also been before the Committee. The original Bill met with general disapproval, but the revised measure seemed to be less open to objection. The Committee were disposed to question the expediency of special legislation on the subject, but considered that if Government intended to proceed with a measure of the kind, the amended Draft Bill might reasonably be taken as affording a basis for such legislation.

They now came to the subject of *value-payable overland parcels.* The object of the value-payable system was the transmission of parcels by the Post Office, the value of which, when necessary, would be collected from receiver by that

Department, and accounted for to the sender, less a certain charge for commission. The proposed extension of the system to England having been opposed by the Calcutta Trades Association, the Chamber was referred to, amongst other representative bodies, for an expression of opinion on the subject. The Committee took the matter into careful consideration, but they could come to no other conclusion than that the extension of the system to England would be a boon to the public generally, and thus fulfil the object Government had in view in making the arrangement.

It now only remains to call attention to certain papers containing *revised regulations for the navigation of the Suez Canal* which had been sent to the Chamber for information, and which were inserted in the report for facility of reference.

There were other matters which had engaged the attention of the Committee, but they were not in such a forward state as to warrant insertion in the Report. Amongst these were *certificates of survey for passenger steamers,* the recent *block on the East Indian Railway,* and minor points in connection with the *Customs Act.*

He now begged to move *that the report of the Committee of the Bengal Chamber of Commerce for the half-year ended the* 30*th April* 1878 *be received and adopted.*

Mr. G. Yule said that, in seconding the adoption of the report, he had to do so with a considerable amount of faith, for the reason that the report came into his hands only an hour ago, and he had not had the opportunity of doing anything more than glancing at its contents. But he had the requisite amount of faith, and therefore he supported the motion that had been submitted to them. He would confine the few observations he had to make to two subjects that were dealt with in the report, *viz.*. the Import Duties and the Jute Warehousing Act. It must have been a matter of agreeable surprise to many of the merchants in Calcutta when it was announced that what are called the protective duties were abolished. Not that he thought the abolition would have the slightest influence in developing a business in the special articles that had been thus dealt with in the last Budget, but it would do away with a sense of injury that was being done to the importer of goods of a similar character. But these duties being out of the way, there was the larger question of the abolition of the duties on all kinds of piece-goods. The Government at home were willing—the Government here were willing—the Lancashire people were clamourous, and it seemed to him that all that was wanted was a strong effort on the part of the merchants in Calcutta and other Indian ports to bring about what he considered would be an

enormous boon to the trading and other classes of this country—the free and unrestricted dealing in all descriptions of clothing material. In saying this he must protect himself from being regarded as holding the opinion that no greater boon could be conferred upon the people by the abolition of an equal amount of taxation in another direction. He held that the Salt Tax was the most oppressive of all the taxes that crushed upon the people of the country—an article of the first necessity to the personal and, through that, to the social well being of the community; whereas clothing, to a large extent, could scarcely be regarded in any other light than as a luxury; and it may be held to be an accepted doctrine of political economy that articles of prime necessity should be relieved from the hand of the tax gatherer first and then articles of less pressing concern. But in the government of a country the truths of political economy could not always be applied in the order of their merit, and if they could not get what was truest and best, they must struggle for what is next best if it were attainable. And as the abolition of the duty on piece-goods was within their grasp, he hoped the Chamber, during the coming year, would take the question in hand and aid in its settlement.

As to the Jute Act, he could hardly have supposed that in a community professing to be

governed on principles of equity and justice such an act as this could ever have received the sanction of the Legislative Council. In this town, as in all towns, there was a certain danger from fire, and the necessary appliances ought, of course, to be maintained. It was for the benefit of all. But two classes of people were selected to bear the whole burden of the cost,—those who dealt in jute and those who bought and sold cotton and who kept a store for warehousing their merchandise. These warehouses were chiefly in the northern parts of the town, far removed, say, from the Lieutenant-Governor's House, from the Palace of the Governor-General, from the houses of the wealthy merchants, and their godowns stored as they were with an enormous value of goods. But the jute-wallah and the cotton-wallah had not only to pay their share of expense for their own protection, but in addition they had to maintain a brigade to extinguish fires if they occurred at Alipore or at the Governor General's or any where else over the length and breadth of Calcutta and its suburbs.

But this was not all. These jute and cotton people were taxed ostensibly for the support of a fire-brigade, but the amount of the tax was so large as to be something like 250 per cent. more than was required, and donations were given to hospitals and other institutions out of the fund.

The figures were approximately these: last year the expense of the brigade was Rs. 15,000; the income from the tax was Rs. 50,000, out of which a donation of Rs. 16,000 had been made to the Lock Hospital and Rs. 10,000 to the Suburban Municipality, while a fund was being formed to be put into trust to furnish fire engines to Calcutta for all time coming. A more monstrous injustice he had rarely heard of. The Lieutenant-Governor suggested the reduction of the tax and its extension over a somewhat larger area,—to hemp-dealers and oil merchants. But this would only be a liquefaction of a grievous wrong, not a remedy. The letter of the Chamber in reply was, in his judgment, a most admirable one, and they enunciate the true principle of such taxation in writing "that the fees charged under the Act should be "fixed in such a manner as not to yield more than "the sum required to render the fire-brigade self-"supporting, and that the maintenance of such a "service is an object in which all classes of the "community are interested, and to which all should "contribute."

With these remarks he begged to second the resolution.

The Chairman's motion was thereupon put and carried.

The Chairman then called on the scrutineers,

Messrs. Elliot and Clarke, to announce the result of the election of a Committee for the ensuing year, and the following names were returned :—

The Hon'ble E. C. Morgan, *President*; the Hon'ble A. B. Inglis, *Vice-President*; W. Craik, Esq., J. W. O'Keefe, Esq., G. Froeschmann, Esq., J. Flemington, Esq., and F. F. Adam, Esq., *Members of Committee*. Mr. Cochrane and Mr. J. A. Anderson had votes equal to those of Mr. Adam, but they retired in his favor.

It was next proposed by Mr. Adam, seconded by Captain Wilkinson and carried, that a vote of thanks be offered to the retiring Committee for their services during the past year.

The meeting terminated with a vote of thanks to the Chair.

H. W. I. WOOD,

Secretary.

☞ The Hon'ble Mr. Morgan and Messrs. Craik and Flemington being unable to accept the offices to which they were elected, fresh election was necessary; and the following members now

form the Committee :—

George Yule, Esq., *President.*
The Hon'ble A. B. Inglis, *Vice-President.*
J. W. O'Keefe, Esq.
G. Froeschmann, Esq.
F. F. Adam, Esq.
H. B. H. Turner, Esq.
F. Finlayson, Esq.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year ended 30th April 1878.

THE Committee submit their Report on the principal subjects which have had their attention during the past half-year.

BUDGET FOR 1878-79.

THE annual financial statement of the Government of India was made in the form of a Resolution dated the 18th March last; and for convenience of record and reference the main results therein summarised are here reproduced.

The accounts of 1876-77 show a deficit of about £2,200,000,—famine expenditure and loss of revenue having absorbed nearly 3½ millions.

The Regular Estimates for 1877-78 also exhibit a deficit of £3,430,000,—the prolongation of famine having involved £2,800,000.

The Budget Estimates for 1878-79 shew the Ordinary Revenue at £63,250,000, and Ordinary Expenditure at £61,094,000, with a surplus of

£2,156,000; but the assignment of £1,500,000 to famine expenditure and the formation of a famine insurance fund reduces that surplus to £656,000 available for other purposes.

The expenditure on account of famines in the 5 years from 1873 to 1878 has been estimated at £16,000,000, but taking the past as periods of exceptional disaster, and in the hope that the cost of famine relief will be less in the future than it has been in the past, it has been assumed that the yearly average cost of famines in loss of revenue and actual expenditure will not be less than £1,500,000, and it has been determined that, to enable the State to meet the obligation of preventing and relieving famine—the periodical occurrence of such calamity being taken into calculation as a liability for which provision should be made from ordinary revenue—it is necessary to secure a substantial surplus of revenue, in addition to a margin of half a million to a million sterling which may be demanded for ordinary requirements.

With that object in view the Government have considered it expedient to obtain a portion of these additional resources by new taxation in the form of a License Tax on trades and dealings leviable throughout India and estimated to yield £700,000, and of a tax on the agricultural class-

es of Bengal and Northern India, valued at £500,000 a year. The proceeds of these taxes together with the sum of £400,000 which will be gained by the extension of Provincial responsibility will make up a little more than the £1,500,000 annually required for the insurance of the country against famine.

The remittances from India to England during the current year or, in other words, the drafts drawn on the Treasuries of India by the Secretary of State will amount to £17,000,000.

The closing balance of 1878-79 in the Indian treasuries is expected to be a little over £13,000,000.

It is proposed to borrow £2,500,000, but the Government cannot give any information about the time or manner in which that amount, or any other sum it may actually want, is to be raised.

The equalisation of the salt duties, the abolition of the Inland Customs line and, with it, of the inland duties on sugar, are material fiscal reforms; and the improvement of the Customs Tariff by the removal to the free list of a number of articles of importation yielding an insignificant revenue, and by exempting from duty certain descriptions of coarse yarn and of cloths manufactured from such yarn, with which the productions of Indian mills have long and successfully

competed, is also a concession of some consideration.

The following extracts from the Resolution on these last important points are given *in extenso* for the information of members.

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39. There are two great measures to which the Government is pledged; the first is the equalization of the salt duties, the abolition of the Inland Customs line, and, with it, of the inland duties on sugar; the second is the improvement of the Customs tariff and the removal of the import duties on cotton manufactures.

40. Towards the accomplishment of the first of these measures great steps have been taken during the present year. Throughout the Presidencies of Madras and Bombay, including Sindh, the duty on salt, whether foreign salt imported by sea or home manufactured salt, has been raised to Rs. 2-8 per maund. At the same time the mileage duty which was levied on salt brought by Railway from Bombay into the Central Provinces, has been abolished, so that the duty of Rs. 2-8 per maund is the rate for those Provinces also, since they derive their supply of salt from Bombay and Madras. The duties in Lower Bengal, both import and excise, have been reduced to Rs. 3-2 per maund, and the duty on salt imported across the Inland Customs Line for consumption in the Upper Provinces, as well as the excise duty on salt manufactured in those Provinces, has been reduced to Rs. 2-12 per maund. At the same time the price of Punjab mines salt, the property of Government, has been diminished by 4 annas per maund. More recently that is on the 1st of this month, the price of Sambhar salt, purchased for importation into British Territory, has been reduced by 2 annas a maund, but a great part of this reduction has been counteracted by the simultaneous raising of the Railway freight on this salt, when brought to Agra by 1½ anna per maund. The freight had been kept abnormally low under an arrangement by which the Inland Customs Department made up to the Railway any deficiency from a fixed standard of profit. This arrangement, which was inconvenient and anomalous, has now ceased.

41. The object of these measures has been recently fully explained. That object is not to increase the burden of the salt taxes on the people of India or to derive therefrom a larger revenue, but to make as large a

step as the finances will permit toward the equalisation of those duties, a condition of taxation desirable in itself and an essential preliminary to the abolition of that great opprobrium to British administration—the Inland Customs Line. The Government of India regrets, that on a general review of its position no further steps in this direction can at the present moment be taken, but it confidently hopes that the time is not distant when this great reform, the object of which is to give the people of India "the means of obtaining, with the least possible inconvenience, and at the cheapest rate consistent with financial necessities, a supply of salt only limited by the people's capacity for consumption," will be completely carried out.

42. After making due allowance for these changes and for the normal development of the salt revenue, as well as other circumstances affecting it, the Budget Estimates of 1878-79 shews a net increase of £247,000 over the Regular Estimate of 1877-78.

43. In Sir John Strachey's Financial Statement made a year ago, he referred to the duties levied on sugar exported across the Inland Customs Line in the following terms :—

"These are one rupee per maund on refined sugar, and six annas per maund on unrefined sugar, or sacharine produce. Except where the line runs along the left bank of the Indus, exports across it are taken to Native states; but, when it passes the Indus, the sugar is nearly taken from one part of British territory to another. This sugar is all the produce of our own people in the North-Western Provinces, Oudh and Punjab: it is one of the most important agricultural staples of those provinces, and it is important not only to the agriculturalists and manufacturers and consumers, but directly to the Government which looks greatly to sugar cultivation for its irrigation revenue.

"While we are taxing heavily our own sugar grown on the east of the Customs line, for the supply of the country beyond it, we admit into the same country the Mauritius sugar, which is imported largely to Bombay, taxed at a much lower rate. It is calculated that the Indian Customs duty is equivalent to 10 per cent. on the value; but the incidence of the duty varies considerably, particularly on refined sugar; on the cheaper kinds the duty is equivalent to more than 20 per cent. on its value; the sea import duty on Mauritius sugar is 5 per cent. *ad valorem*. I do not assert that there is at present any great competition between the sugar of the Upper Provinces of this Presidency and foreign sugar; but, so far as competition exists, the Inland

Customs duty acts as a productive duty in favor of foreign and against our own sugar: to this extent, the duty must fall on the producer within the Customs Line. The competition will be more apparent and severe when the connection of the Rajputana State Railway with the Bombay and Baroda Line is completed.

"Little or no sugar is grown in Rajputana or Central India; the increase of price caused by the Inland Customs Line must tend to diminish consumption, and so still further, to injure the producer. It is impossible to estimate the injury to the people and the Government caused by placing artificial obstructions on the export of one of the great agricultural staples of the country. Such obstructions obviously affect not only the export but the import trade as well. The Government of India has repeatedly urged upon Native States the policy of abolishing their transit duties, but it is difficult to see with what consistency we can do this, so long as we retain our sugar duties. They yield about £165,000 a year, this is my only excuse for not proposing their instant abolition: they will, at any rate, disappear with the abolition of the Inland Customs Line."

44. The negotiations relating to salt, with the Native States of Rajputana and Central India, which have for their object the abolition of the Customs Line, are rapidly approaching successful completion. The maintenance of the sugar duties after the arrangements connected with salt in the Native States are put into effect, will not be consistent with the engagements made with those States, and after the Customs Line, along which they are levied, has been removed their retention will be impossible. The Government of India will therefore be compelled under any circumstances to relinquish these duties very shortly: and as no practical financial advantage would be obtained by postponing the measure for a few months, it has been decided that the duties shall be at once abolished. The country will thus be relieved of these sugar duties, which have been more than once characterized as "the most discreditable relic of the dark ages of taxation that exists in India."

45. It is estimated that these Inland sugar duties would have produced in the coming year £155,000. They appear under the head of "Customs" and their abolition has led to a corresponding reduction.

46. The second of the measures of fiscal reform before mentioned, the improvement of the Customs Tariff, next calls for notice.

47. Her Majesty's Secretary of State has called the attention of the Government of India to the Customs Tariff generally, and to the duties

levied on cotton goods in particular, in several despatches received during the past year.

First, in a despatch, No. 81, dated the 7th June 1877, * His Lordship pointed out that there were numerous articles in the Tariff on which the duty levied was quite insignificant, and he requested that at a convenient time the propriety of excluding from the Tariff items that will not be productive of revenue might be considered.

* Appendix B.

Next, a despatch, No. 124, dated the 23rd August 1877,† forwarded a copy of a memorial from the Council of the East India Association, and a reply thereto by Mr. Raynsford Jackson on behalf of the Associated Committees of Employers and Workmen in the cotton manufacturing districts, respecting the abolition of the duties on the importation of cotton goods and yarns into India. Lord Salisbury observed with reference to these papers :—

† Appendix C.

" Your Excellency is well aware of the great importance attached by Her Majesty's Government to the gradual reduction of these duties at the earliest period that is not inconsistent with the financial requirements of your administration."

Finally, the Secretary of State transmitted with his despatch No. 136 dated the 30th August 1877,‡ a Resolution which was adopted by the House of Commons on the 11th July 1877 without a division in the following terms.—

‡ Appendix D.

" That, in the opinion of this House, the duties now levied upon Cotton manufactures imported into India, being protective in their nature, are contrary to sound commercial policy, and ought to be repealed without delay so soon as the financial condition of India will permit."

His Lordship expressed his concurrence with the views of this Government, as reported in the speeches of His Excellency the Viceroy and of Sir John Strachey in the Proceedings of the Legislative Council on the occasion of the Budget statement in March last.

The despatch concluded in the following words :—

" I can only, in conclusion, express my hope that the financial prospects of your Government in the approaching year may not preclude the possibility of commencing the reform of this branch of the Indian Tariff, but if, as now seems too probable, it shall unfortunately be such

as to render you unable to incur the risk of any material loss of revenue from remission of duties, there are still two measures in connection with this reform which should not in my opinion be delayed beyond the present year. I mean the repeal of the duty of 5 per cent. on foreign raw cotton imported into India, and the exemption from import duty of the lower qualities of cotton manufactures upon which the present tax is incontestibly protective, not only in principle but in fact, and the value of which for revenue purposes is wholly insignificant."

48. The questions thus brought before the Government of India by Her Majesty's Secretary of State have received careful consideration. It is evident that, in the present state of the finances of India, any large measure of reduction of the Customs duties would be not only impossible, but would not be in accordance with the views of the House of Commons or of Her Majesty's Secretary of State. The Government of India is, however, of opinion that there is no reason for delaying compliance with the instructions of the Secretary of State, that something should be done towards removing from the Tariff the coarser qualities of cotton goods which are subject to competition from the Indian mills and looms, and some other articles which are productive of but a small amount of revenue.

49. Although as just stated, it is not at present possible to sacrifice any important part of our existing revenue, for the purposes of reforming the commercial taxation of India, the Government deems it right to place on record the principles on which its action is at the present time guided, and by which it desires to be guided in the future.

50. It is not necessary now to discuss the advantages to a country of free trade and the disadvantages of protective duties. It is sufficient to say that these have been admitted for many years by the Statesmen who, of whatever party, have guided the policy of the United Kingdom. In pursuance of the principles thus accepted, the Tariff of the United Kingdom, which, less than thirty years ago, subjected to duty more than one thousand different articles, has been brought down by various stages to some half dozen, of which the only important ones are wine and spirits, tea and tobacco. At the same time all export duties have been abolished.

51. The principles on which the Customs legislation of the United Kingdom has been based are now admitted axioms by all who recognise the theoretic advantages of free trade. They must be recorded as a part of the national policy which Great Britain has finally adopted,

and which the Secretary of State for India with the deliberate approval of the House of Commons has required the Government of India in this country to carry out.

These principles are, as regards imports ;—

(1) that no duty should exist which affords protection to native industry, and, as a corollary, that no duty should be applied to any article which can be produced at home, without an equivalent duty of excise on the home production, also, that no duty should be levied except for purely fiscal purposes ;

(2) that, as far as possible, the raw materials of industry and articles contributing to production should be exempt from customs taxation.

(3) that duties should be applied only to articles which yield a revenue of sufficient importance to justify the interference with trade involved by the machinery of collection.

As regards exports ;—that duties should be levied on those commodities only in which the exporting country has practically a monopoly of production.

52. These principles are of general application, but in the case of India, they possess a peculiar significance. India is a country of unbounded material resources, but her people are a poor people. Its characteristics are great power of production, but almost total absence of accumulated capital. On this account alone the prosperity of the country essentially depends on its being able to secure a large and favourable outlet for its surplus produce. But there is a special feature in the economic conditions of India which renders this a matter of yet more pressing, and even of vital importance,—this is the fact that her connection with England and the financial results of that connection, compel her to send to Europe every year about 20 millions sterling worth of her products without receiving in return any direct commercial equivalent.

It is this excess of exports over imports which, in the language of the economists, is described as tribute. It is, really the return for the foreign capital, in its broadest sense, which is invested in India, including under capital not only money, but all advantages which have to be paid for, such as the intelligence, strength, and energy, on which good administration and commercial prosperity depend. From these causes the trade of India is in an abnormal position, preventing her receiving, in the shape of imported merchandise and treasure, the full commercial benefit which otherwise would spring from her vast material resources.

53. The comparatively undeveloped condition of the trade of India may be illustrated by the following figures. The value of the imports and exports taken together per head of the population is in the United Kingdom about £20. In British India it is about 10 shillings. The Custom revenue on the few articles now retained in the Import Tariff of the United Kingdom is about 12 shillings per head, while that of India, on all the articles of its lengthy Tariff, is about 3 pence, showing that small as is the proportion of the foreign trade of India to that of England, the proportion of customs revenue derived from it is smaller still.

54. Here then is a country which, both from its poverty, the primitive and monotonous condition, of its industrial life, and the peculiar character of its political condition, seems to require from its Government, before all things, the most economical treatment of its resources, and, therefore, the greatest possible freedom in its foreign exchanges.

Under these circumstances, what are the conditions of production and consumption in India? How far is it possible to construct a Tariff of import and export duties, which will comply with the accepted canons of taxation? And how far does the existing Tariff conform to those canons?

55. In answering these questions it will be found that India, by the extent and favourable conditions of its territory is capable of producing almost every article required for the use of man. If therefore, the import Customs Tariff be maintained it will involve the evils of protection unless an excise duty to countervail the customs duty be imposed upon almost every item which the tariff now includes. Now, as excise duties are generally costly, vexations and inconvenient forms of taxation, would be in most cases impracticable in India, this of itself is a reason against the permanent retention of the existing Customs Tariff, and one which interposes a very serious difficulty in the way of constructing one that shall be free from objection. Since almost every article that is now on the Tariff, or that could be named, is either produced or is capable of being produced in India, it follows that import duties must in every case be actually or potentially protective, while, with the exception of liquors and salt, none of them are subject to an excise.

Again the people of India are too poor to consume many luxuries. The import trade merely consists of what may be considered either the materials of industry or the necessaries of life. It will accordingly be found that nearly all the heads of customs revenue which are of any im-

portance are derived from one or other of these descriptions of commodities, and that the revenue derived from other articles is so insignificant as neither to justify the machinery of collection nor the interference with the trade.

56. The total amount of import duties was in 1876-77, £4,170,947, or, deducting erroneous collections, refunds and drawbacks on re-exportation, £4,098,296 ; of this latter sum there was realised—

From Salt	...	2,491,010
From Liquors	...	331,761
Total	...	2,822,771

On these articles there is an internal excise duty countervailing the customs duty.

Deducting the duty on these two articles, there remains £1,275,525. Deducting again from this the revenue realised from cotton goods, or £811,340, there remains £464,185, which is thus distributed :—

	£	£
Copper	65,624	
Iron	17,696	112,740
Other metals	30,020	
Silk, raw, and manufactured		43,727
Woollen manufactured		38,063
Provisions		32,901
Apparel		25,658
Hardware and cutlery		21,049
Spices		18,724
Sugar		13,886
Glass		13,244
Railway materials		11,335
Articles, each group of which gave less than £10,000		132,853
	Total	464,185

Many of the numerous articles in the last class yield each an insignificant revenue, and nearly the whole are or can be produced in India. The duties on them are thus indefencible, in principle, and cannot consistently be maintained longer than financial exigencies require their retention.

57. To revert to the cotton duties, regarding which the resolution of the House of Commons has declared that, being contrary to sound com-

mercia principles, they ought to be abolished, the Government of India has been at some pains to ascertain how such of them as are now actually protective can be defined. The real test is the quality or fineness of the yarn of which the goods consist. At present the Indian manufacture is confined to the coarser yarns and goods made of such yarns, and it is evident that the 5 per cent. import duties does protect such yarns and goods against competition from without. It is difficult to determine exactly how far it is effective. The coarser Indian yarns and piece goods may, by their comparative cheapness, displace, as indeed it is asserted that they have displaced, finer imported goods in the Indian market. So far as this happens, the duties are destructive of the Customs revenue. However this may be, it is generally admitted, and the Customs returns, so far as they supply information, show, that there are certain descriptions of goods regarding which it can safely be asserted that they are of the kinds with which the Indian manufactures can compete successfully. These are unbleached T cloths under 18 reed, jeans, domestics, sheetings, and drills. The duty paid by these descriptions of piece goods in 1876-77 was only £22,227, of which probably some portion was given back in the shape of drawbacks and refunds, as there is a consideration re-export of grey piece-goods from India. The total value of such goods re-exported in 1876-77 was £302,234. They are taken chiefly to Persia, Arabia, and the east coast of Africa. The total refunds and drawbacks in 1867-68 amounted to £12,563. It is not known how much of this was on account of the coarser goods specified above.

58. The Government of India has determined to commence by exempting these descriptions with the further condition that the goods so exempted shall not contain finer yarn than what is known as 30s, that is, yarn of which 30 hanks of 840 yards each weigh one pound. The loss of duty, calculated on the figures of 1876-77, cannot exceed £22,227, and, for the reasons above stated, will probably be less. For yarns themselves, the limit selected for exemption is for mule twist 32*s* and for water twist 20*s*. The former yielded in 1876-77 £3,400, and the latter £39, *minus* any refunds and drawbacks that may have been granted. The duty on longstapled raw cotton yielded £15, and it is quite unnecessary to maintain this duty. The maximum remission of duty proposed under these heads, calculated on the figures of 1876-77 amounts to £25,681.

59. It has been urged in some quarters that instead of taking the duties off imported cotton goods or so long as they are retained, it

would be right to excise the Indian manufactures. Regarding this proposal, it may be said, first, that it would be impossible to excise the product of all the hand-loons and spinning apparatus in India, and that to confine the excise duty to the large mills and looms worked by European machinery would be not only an unjust and incomplete measure but would place an obstruction on a most legitimate and desirable development of the industry of India; secondly, that it would be impossible to tax the manufactures produced in India in Native States outside of British territory without maintaining the present Inland Customs lines, which the Government of India are strenuously endeavouring to abolish, and without establishing many more similar lines; and thirdly, that the imposition of an excise duty is inconsistent with the declared future policy of the Government of India, and of Her Majesty's Government, namely, eventually to abolish all import duties on cotton manufactures. The Government of India has, therefore, no hesitation in rejecting the proposal in question. Orders giving effect to the decisions will be found in the Notification issued with this Resolution.

60. Another class of articles is also clearly marked out for exemption. These are materials for railways. Under any circumstances, it must be a short-sighted fiscal policy to add artificially to the cost of railways, on which the development of the wealth of India is so greatly dependent; but when it is considered that, under the guarantee system, the Government of India has to pay five per cent. on the customs duties which it imposes on railway plant not imported by itself, the inexpediency and inconsistency of retaining these duties is beyond question. Locomotives and other machinery for railways, as well as wooden sleepers, have already been freed from duty. On the rest £11,335 net duty was realised in 1876-77, and the Government of India has determined to free this head of the Tariff from duty.

61. It has also decided to relieve the Tariff of 26 other major heads, comprising a larger number of sub-heads and innumerable articles, the details of which will be found in the Notification published with this Resolution. The whole of these Tariff heads produced in 1876-77 £39,610. The most important is the head "Fruits and Vegetables," being chiefly cocoanuts, dates, and the like—articles of food of the poorer classes. These yielded a revenue of £6,126.

62. With respect to the Export Tariff, the only duties now remaining are those on rice, indigo, and shell and button lac. Although India cannot be said to possess a complete monopoly of these articles still this condition is nearly enough complied with to justify their present

retention on the Tariff. As soon as the finances will permit of it, the question of the retention of these duties may be reconsidered. They yielded in 1876-77 the following amounts :

Rice	529,739
Indigo	41,132
Lac of all sorts	33,952

63. There will now remain out of the 62 tariff numbers of Schedule A. of the Indian Tariff Act, 1875, only 35 numbers, and this important reduction including the remissions of duties on the cotton goods and minor articles is affected with a loss of about £77,000.

64. Thus these measures, designed to be the first steps, towards giving effect to the policy that has been enjoined on the Government of India by Parliament and the Secretary of State, strictly comply with the conditions under which that policy was to be carried out. The estimate of the Customs revenue of 1878-79 is, after allowing for all the proposed remissions, taken at £2,480,000 or £150,000 less than the regular estimate of 1877-78. This decrease is less than what will be given up by the relief of sugar from Inland Customs duty, so that the sea customs duty remitted has no part in this decrease. The amount of sea customs duties in the coming year is smaller than in the earlier years of the series given below by reason of the reductions made in the tariff in the year 1875 by the Government of Lord Northbrook :—

	£
1872-73, Actuals	2,654,000
1873-74 „	2,628,000
1874-75 „	2,678,000
1875-76 „	2,723,000
1876-77 „	2,483,000
1877-78, Regular Estimate	2,630,000
1878-79, Budget „	2,480,000

The Government of India, in pursuing for the future the policy that has guided it in making these remissions, will always give full consideration to the general financial position of the country and will recognise the obligation laid upon it not to attempt to hasten this important fiscal reform by additional taxation. It confidently expects that the normal growth of the revenues will place at its disposal the necessary means.

OVERLAND MAIL CONTRACT.

THIS important question was under consideration at the meeting of the Chamber held on the 18th February, and the Chamber's last Report contains the President's remarks upon the subject, the conclusions arrived at by the Committee, and the proposals submitted by them for approval and adoption.

Immediately after the meeting the following letter was addressed to the Director General of the Post Office, and, although the Committee have had no acknowledgment of their communication, they believe it has engaged the attention of Government, and that it will be duly submitted to Her Majesty's Post Master General.

From Chamber to Director General of Post Offices.

Calcutta, 19th February 1878.

The subject of the Eastern Overland Mail Service in connection with the approaching termination of the present mail contract was brought forward at a General Meeting of the Chamber of Commerce held yesterday, when it was resolved that the Committee should communicate to you the views entertained by the Chamber on this important matter: and I am desired to submit the following representation for your consideration.

1*st*.—In the opinion of the Chamber, although the maintenance of the Southampton route may no longer be required so far as purely mercantile interests are concerned, communication should be maintained under contract between India and some point in England.

2*nd*.—As Indian mails from Brindisi have on occasions been delayed in Egypt waiting arrival of mails from Southampton, and Indian mails for Brindisi have also been, or may be, similarly delayed waiting arrival of mails from China or Australia, the new contract, if it should include the conveyance of the Southampton, China, and Australia mails, should expressly stipulate that no such delay shall be allowed, but that when these do not arrive in Egypt before or at the same time as the Indian and Brindisi mails, the latter shall be forwarded without delay and without reference to the others, which the contractors should be bound to send on by other steamers.

3*rd*.—The rates of speed stipulated for in the present contract are admittedly under those which present times warrant and demand. The Chamber, however, is not prepared to name any rates which should be stipulated for, but would recommend, as a test of what can be had, that tenders should be called for, and that tender selected which gives the highest speed, combined with a subsidy which would not make enhanced postage a necessity, and which also could give the fullest assurance of ability to carry out the contract in its integrity.

4*th*.—Duration of contract should similarly be made matter of tender, as contractors would doubtless accept a long contract on more favorable terms to the public than a short one.

5th.—In considering the tenders which may be submitted the Chamber would urge that the fullest consideration, consistent with public interests, should be given to that which will doubtless be made by the present contractors, who have so long, and certainly not unsatisfactorily, carried out the mail service between India and Europe.

6th.—In submitting this the Chamber would take the opportunity of suggesting that when arrangements are being made for the accelerated receipt of European mails in India their more rapid transit through India and the Continent is a subject well deserving of attention. The mails last received in Bombay from Europe lay there for the greater part of a day before being despatched to Calcutta and other parts of India connected with the line of Railway leading to Calcutta.

LICENSE ACT.

THIS subject was also referred to at the Chamber's last meeting, and although no special Resolution was passed regarding it the Committee were of opinion that the general feeling of the Chamber as to the exceptional character of the legislation adopted by Government warranted them in memorialising the Secretary of State against a measure which presented the objectionable feature of invidiously and unjustly exempting the official classes from a special taxation levied for imperial purposes, and thereby throwing its burden entirely on every commercial and trading

industry of the country. The Committee therefore prepared the following memorial to Her Majesty's Secretary of State, and forwarded it through the prescribed channel.

From Chamber to Her Majesty's Secy. of State.

Calcutta, 23rd March 1878.

That your Memorialists recognise the necessity imposed upon the Government of India, by the calamitous famines that have within the last few years occasioned enormous expenditure of the public revenue, to make provision for meeting extraordinary and exceptional charges that may be incurred hereafter by similar disasters.

That your Memorialists therefore recognise the expediency of an Imperial Fund being created for the special purpose of meeting the demands that may arise by reason of future scarcity and famine, and approve of the policy whereby the pressure of expenditure may be equalised over a series of years.

That your Memorialists also acknowledge the necessity for bringing the public revenue and public expenditure into a condition of financial equilibrium, for maintaining a sound financial position, as well as for creating a Special Famine Fund by means of additional taxation without encroaching on the ordinary revenue reserved for ordinary requirements of the State.

That such special Famine Fund proposed to be created

by the Government of India is intended to be provided from the following sources:—

New Taxation:	License on Trades, Dealings, and Industries ...	£700,000
	Agricultural Tax, Bengal and Northern India ...	500,000
Gain by extension of Provincial responsibility		400,000

That in pursuance of such determination, and with the view to raise a proportion of such additional taxation within the Territories subject to the Lieutenant-Governor of Bengal, an Act for the licensing of Trades, Dealings, and Industries has been passed by His Honor and assented to by the Governor General of India.

That your Memorialists cannot but regard the said Act as a violation of established principles of taxation, inasmuch as it throws upon certain classes of the public a burden which should be borne by all alike without exception, and demands that all branches of trade and industry shall contribute to the support of the State, while it exempts, invidiously and unjustly, every grade of the salaried officers of Government from any share of a special taxation necessitated by national exigencies.

That while your Memorialists are content to bear their fair share of that burden, they entirely dissent from the assumption that trades and industries generally benefit from famines, and that therefore they should be called upon to pay so large a proportion of the annual tribute demanded by the State as protection against such calamities. That while it cannot be denied that some trades and industries do derive temporary benefit from famines,

your Memorialists submit that such benefit is limited to a few only, while the great majority not only derive no benefit but actually suffer serious losses by the occurrence of famine.

That owners of jute mills and of steam ships and other carriers undeniably did derive advantages from the late famine in Madras, but ship-owners, with one or two notable exceptions, are not and cannot be made liable to such taxation as is now imposed, not being resident or in any way established in India; and to make those who are established in India liable to such taxations, while the others escape it, is to prejudice local interests as against foreign. With the exception of the classes named your Memorialists believe famine is a misfortune to trade generally, which is nevertheless called upon to meet the entire cost of providing such portion of the fund necessary to protect the State as is derivable from the measure complained of.

That markets for all classes of imported goods become stagnant from the results of famine,—scarcity and consequent dearness of food interfering with the ability of the population to purchase, importers thus finding consumption of their goods materially reduced; whilst exporters of produce find most articles of commerce enhanced in value and all means of carriage dearer,—trade thereby being rendered exceptionally hazardous and generally unprofitable.

That it has been officially assumed and declared that traders in rice in connection with the late famine have amassed enormous profits from that source. Your Memorialists believe such is not the case. No doubt, some

have made large profits, while a greater number have made moderate profits; but of others who were engaged in the trade some have been seriously embarrassed and some ruined through such operations, although at the same time the commercial enterprise involved in an unprecedented exportation of food grain from the Port of Calcutta has, your Memorialists believe, enabled Government to meet the emergencies of the famine at a very much smaller cost to the country than had traders not engaged so extensively in the traffic.

That in the opinion of your Memorialists the action of the Government of India by placing so heavy a burden upon the commercial and trading classes who have thus rendered substantial service to the State, while all official classes have been exempted, is unmerited and unjust.

That your Memorialists frankly admit and bear testimony to the laudable and excellent services rendered by Government officials of all ranks who were engaged in the famine in Southern India and elsewhere, and they would gladly see them appropriately recognised and rewarded; but your Memorialists submit that the performance of duty however zealously and efficiently discharged is no ground for exemption from taxation for national purposes; and that the immunity of the official classes from the obligations compulsorily imposed upon other sections of their fellow-subjects invests the Government measure with a most invidious character and constitutes it an act of grievous partiality.

Your Memorialists respectfully submit that national misfortunes, whether arising from famines or other causes beyond or within human control, enjoin obligations upon

every class of the community (if able to bear them) to contribute towards the national resources needed for alleviating consequential distress, and protecting the State against similar disasters in the future: and that any measure of Government which violates equitable taxation by overweighing selected classes of the people and giving entire freedom to others well able to bear their share of the burden, cannot be too strongly condemned as being at variance with a right disposition of responsibilities common to all alike.

That in the judgment of your Memorialists the Government measure is but a revival, in a modified form, of the abandoned Income Tax, which however possessed the redeeming features of approximately assessing the means of all who were bound to contribute to public requirements and of abstaining from taxing the hard earned pittances of the poorest classes; while the License Act, on the contrary, touches the scanty resources of the humblest and lowest in every social industry that can be enumerated, and apportions the fees payable in the three Presidencies in such a manner as to deny the tax even the merit of reasonable equality in its incidence.

Your Memorialists therefore pray your Lordship will not sanction the License Tax until it has been amended so as to include every official class within Her Majesty's Indian Tetritories, and to provide that all assessments shall be determined by a standard of uniformity.

From Chamber to Government of Bengal.

"The Committee of the Chamber of Commerce desire me to place in your hands the accompanying memorial

addressed to Her Majesty's Secretary of State for India, with their request that it may, with the permission of His Honor the Lieutenant-Governor of Bengal, be forwarded to the Government of India for transmission to the Secretary of State."

JETTY CHARGES.

The Chamber's last Report contained a representation to the Government of Bengal relative to the high tariff of charges maintained by the Port Commissioners for landing and shipping cargoes at their jetties. It was pointed out that the necessity for such rates did not exist, as the Commissioners had admittedly for some years appropriated large surplus of revenue towards permanent works of construction, the cost of which the Committee contended should be met by capital and not revenue; that the schedule of charges was consequently capable of considerable reduction, and that the perpetuation of an unnecessarily high scale was opposed to one of the most important objects for which the Port Trust had been established.

The answer of Government was disappointing, the Lieutenant-Governor having decided that the time had not then come for any general reduction of the existing scale of charges.

It was therefore with agreeable surprise that the Committee—within 6 months of His

Honor's unfavorable reply—were informed that the Commissioners were in a position to lower their rates : and, after communicating with members on the subject, the following letter was addressed to the Commissioners.

From Port Commissioners to Chamber.

Calcutta, 23rd March 1878.

In accordance with a resolution passed at the last meeting of the Commissioners, I am directed to inform you that the Commissioners contemplate making a reduction in jetty charges during the next financial year, and I am to request that you will be good enough to favor the Commissioners with any suggestions you may have to offer on the subject.

From Chamber to Port Commissioners.

Calcutta, 16th May 1878.

The Committee of the Chamber of Commerce received with much satisfaction the intimation conveyed in your letter No. 4588 of 23rd March that the Port Commissioners contemplated making a reduction in jetty charges.

To enable them to ascertain, for their guidance in answering your reference, what the opinions of members of the Chamber might be on the subject, the Committee submitted the Commissioners' proposal for information and early reply in a circular dated 30th March, but they regret they have not received so many answers as they hoped would be sent: as they are anxious however to place before the Commissioners an acknowledgment of

their reference without further delay, the Committee direct me to forward the individual opinions of members as the most convenient means of enabling the Commissioners to gather what reduction is suggested in respect to the articles in which each is specially interested.

The Committee experience considerable difficulty in recommending to what extent the reduction should apply to each of the numerous articles specified in the import and export schedules,—a variety of circumstances presenting themselves in the consideration of what would be a fair and proper distribution of jetty rates: the proportion of revenue contributed by each item, the quantities and values of goods, the sizes of packages, facility in handling them, &c.

An all-round reduction of so much per cent. advocated by some of the members would not in the judgment of the Committee be an equitable arrangement, and they are not prepared to recommend it; nor can they endorse all the changes submitted in the correspondence: but they have no hesitation in expressing their opinion that while a substantial reduction is required on all classes of merchandize care should be taken to relieve as far as possible cheaper and bulkier articles, which can less bear the weight of charges than others of greater value and in smaller compass.

The Committee hope the Commissioners will see their way to make very material reductions in their tariffs, and thus give practical effect to one of the most important objects of their trust, viz., the removal of burdens from the trade of the port to the utmost extent consistent with legitimate demands on their resources.

IMPORT DUTIES.

THE following representation has been submitted to the Government of India regarding the remission of import duties on sundry descriptions of grey cotton piece-goods. The object of Government in their Financial Resolution on the subject was stated to be the removal of the protection afforded to cotton fabrics manufactured in this country coming into competition with imported British goods of similar kinds, and thus relieve the latter from the pressure to which they had been subjected in consequence of the production of Indian mills being unhampered by excise or duty. This new policy was inaugurated by the declaration that certain descriptions of cloth should be exempted from import duty on the condition that they contained yarn of no higher count than 30*s*. that number being taken as the standard by which exemption should be determined.

It seemed however that several important articles of cotton goods, although fulfilling the conditions of exemption as regards quality, were still subject to duty because not specially referred to by name in the notification : the protection therefore which it was the avowed object of Government to remove remained in full force as against the articles referred to, and the pur-

pose of the Committee's representation was to call attention to this anomaly.

From Chamber to Government of India.

Calcutta, 17th April 1878.

I am directed by the Committee of the Chamber of Commerce to address you in regard to the Notification, No. 43, dated 18th March 1878, exempting from all import duties sundry descriptions of grey cotton piece goods.

In the Resolution No. 1911, dated 18th March 1878, published by the Financial Department, it is stated that the Government of India have been at some pains to ascertain how such of the cotton duties as appear to them actually protective could be defined, and it is then added, as the result of such enquiry, "that the real test is the quality or fineness of the yarn of which the goods consist."

The Committee of the Chamber do not propose to discuss the question of how far this proposition is correct, —the object of their communication being to point out that the legislation which followed the enquiries resulting in the conclusion above referred to appears to have proceeded on a different basis, and to call attention to certain anomalies which in consequence have arisen.

Para: 57 of the Resolution particularises by name the descriptions of goods proposed to the exempted from duty, these being T. cloths, jeans, domestics, sheetings and drills; and para. 58 imposes "the further condition that "goods so exempted shall not contain finer yarn than

"what is known as 30*s*., that is, yarn of which 30 hanks "of 840 yards each weigh one pound." In the Notification it is similarly specified that the goods exempted from duty shall come under certain designations, and also be subject to the further condition as regards fineness of yarn, already referred to.

The apparent contradiction between the "real test" as defined by the Government of India and the terms of the Notification has occasioned considerable dissatisfaction amongst importers of cotton goods, and it has been represented to the Committee of the Chamber that the condition referred to must operate very unfairly against certain goods which, though satisfying the condition as to count of yarn, are still not commonly recognised by any of the names set forth in the Notification. As an illustration, the Committee would draw attention to a certain description of *stout* or *domestic* cloth, which, for convenience of sale, importers have been in the habit of receiving in pairs of about 10 yards in length. These goods are used very largely by the Natives as *chudders*, and consequently this name has been given to them by importers and is their recognised designation by the Custom House authorities. This being so, it follows that although the cloth is in all respects, as far as quality is concerned, a *domestic*, still with the present Notification before him the Collector of Customs is unable to pass it free of duty.

Other instances might be given to show the unfavorable position in which importers of certain fabrics are placed, but *chudders* have been selected both because they fairly illustrate the anomaly created by the terms of the Notification, and also because such goods are largely manu-

factured in Native mills; and thus the protection which the Government apparently desire to remove still remains in full force in regard to these goods.

The practical effect of the Notification as it now stands is that cloth made in a particular length and bearing an arbitrary title passes free of duty, while precisely the same fabric cut up for convenience of sale into a different length has to pay duty.

The Committee of the Chamber would therefore respectfully urge on the Government the desirability of amending the Notification so as to include *all* cloths, of whatever denomination, made of yarn not finer than 30*s*; or if the intention of Government was really to exclude from exemption all goods not specially particularised, although fulfilling as to quality and fineness of yarn the "real test" laid down in the Resolution, then in such case steps should be taken to remove the ambiguity which appears at present to surround the question.

JUTE WAREHOUSE ACT.

THIS important matter has been the subject of a lengthened correspondence with Government which was given in the Chamber's Report for last half-year: and the Committee have occasion to draw attention to it again. It will be noticed that the representations made by the Committee as to the manner in which the Jute warehouse and fire-brigade Acts were administered have resulted in a communication from the

Government of Bengal to the Chairman of the Calcutta Municipality, which more than justifies the Chamber's action and remonstrances against the excessive contributions levied from a single limited and unprosperous branch of business, compelled to bear the burden of the entire cost of maintaining the fire-brigade of the city.

There might have been some reasonable ground for such taxation if it were shewn that it was essential to the purpose for which it was raised; and that for the efficient maintenance of the fire-brigade the Municipality needed all the funds that could be legitimately collected; but the levy of excessive fees from the owners or licensees of jute and cotton warehouses has been gravely aggravated by the facts disclosed in the Lieutenant-Governor's letter to the Municipality.

The following extract gives those facts:—"*But from the accounts of* 1876 *it appears that in that year the receipts from the single item of jute and cotton warehouses amounted to a sum which not only defrayed the entire cost of inspection, &c., in working the Act, and the whole expense of the fire-brigade, but also yielded a surplus, which allowed of a grant of Rs.* 16,552 *being made to the Alipore Lock-Hospital, and also of a grant of Rs.* 10,000 *being made in aid of the general funds of the Suburban Municipality. The total cost of*

the fire-brigade is entered at Rs. 15,698; *while the fees on warehouses in Calcutta were Rs.* 29,291 *and in the Suburbs Rs.* 20,794, *or Rs.* 50,085 *in all.*"

It was impossible for the Lieutenant-Governor to ignore or overlook such facts: the statement carried with it a condemnation of the system which produced them; and the Committee have emphatically declared against the application of such funds to objects having no conceivable connection with those contemplated by the Act.

From Under-Secy. to Govt. of Bengal to Chamber.

Calcutta, the 15*th February* 1878.

With reference to this office letter No. 432, dated the 28th January 1878, and connected correspondence, regarding the working of the Jute Warehouse and Fire-Brigade Acts (11 of 1872 and II of 1875 of the Bengal Council) I am directed to forward herewith, for the information of the Committee of the Chamber, copy of a letter* which has this day been addressed to the Chairman of the Calcutta Municipality on the subject.

* No. 701, dated the 15th February 1878.

From Govt. of Bengal to Calcutta Municipality.

Calcutta, the 15*th February* 1878.

With reference to your letter No. 1901, dated the 18th June 1877, and the connected correspondence, I am directed to communicate the following remarks of the Lieute-

nant-Governor on the working of the Jute Warehouse and Fire-Brigade Acts, and to request that the subject may be brought to the notice of the Municipal Commissioners for their consideration and for such action as they may consider it advisable to take.

2. It will be remembered that in August 1876 the Bengal Chamber of Commerce complained of the manner in which the law was administered, and a correspondence ensued, in the course of which the questions raised have been very fully examined, and the provisions of the law, as well as the practical effect of its operation, have been carefully considered by the Government.

3. The Lieutenant-Governor is of opinion that it is not at present expedient to attempt any amendment of the law. Some provisions of the law might no doubt be improved, if legislation on the subject were otherwise desirable. It has been shown that the tax on Insurance Companies is really paid not by the Companies themselves, but by those who insure with them; and it would be well either to abolish this tax altogether, or to impose it in some form which should secure its being paid by those on whom it was intended to fall. The law also appears to fix the minimum license fee in Calcutta at Rs. 250, and in the Suburbs and Howrah at Rs. 100; and it would be an improvement if this minimum were lowered, so as to meet the case of warehouses which cannot equitably be charged at so high a rate. It would also be desirable that the Commissioners should be authorized to levy a moderate fee (in addition to the ordinary house-rate) upon such premises as are used for the storage of what the Insurance Companies class as "hazardous goods;" and that fees so levied should be credited to

the Fire-Brigade Fund, in addition to the fees for fire-work licenses, which are creditable to the Fund under the existing law.

4. But considering that the Act of 1872 has been in force for hardly six years, and that two amending Acts have subsequently been passed, the Lieutenant-Governor does not propose to have recourse to further legislation at present. It remains to consider in what manner the provisions of the existing Acts should be carried out, so as most effectually to secure the objects with which the law was framed, without entailing hardship upon any class of the community.

5. Section 29 of Act II of 1872 contemplates the contingency of a contribution being made by the Municipal Commissioners of Calcutta and the Suburbs towards the payment of the expenses of the fire-brigade in the event of the charges of the brigade not being fully covered by the receipts accruing under the Act, that is to say, by the fees on jute warehouses and on fire-work licenses, together with the receipts from Insurance Companies. But from the accounts of 1876, it appears that in that year the receipts from the single item of Jute and Cotton warehouse licenses amounted to a sum which not only defrayed the entire cost of inspection, &c., in working the Act, and the whole expense of the fire-brigade, but also yielded a surplus which allowed of a grant of Rs. 16,552 being made to the Alipore Lock-Hospital, and also of a grant of Rs. 10,000 being made in aid of the general funds of the Suburban Municipality. The total cost of the fire-brigade is entered at Rs. 15,698; while the fees on warehouses in Calcutta were Rs. 29,291 and in the Suburbs Rs. 20,794, or Rs. 50,085 in all.

6. It appears to the Lieutenant-Governor that such a statement carries with it a condemnation of the present system. The maintenance of a fire-brigade is an object in which all classes of the community are interested, and to which all ought to contribute. It would be reasonable that a portion at least of the expense should be borne by the general funds of the Municipality. The owners of jute and cotton warehouses might fairly be called upon to defray the whole cost of inspection, and to contribute a portion of the expenses of the fire-brigade. But a system under which a single class of the community (a class whose numbers are limited, and whose business is understood not to be specially prosperous) is made to pay the whole cost of the protection of the town from fire, and to contribute a large sum for expenditure upon other objects, is opposed to all principles of equity and to the spirit, if not to the letter, of the law. Municipal taxation is already so high that the Lieutenant-Governor does not desire to press the question of a contribution to the fire-brigade from general municipal funds, but only to commend to the consideration of the Commissioners the arguments which appear to show the equity and reasonableness of such a contribution being made. But His Honor is of opinion that the fees charged under the Act should be fixed in such a manner as not to yield more than the sum required to render the fire-brigade self-supporting; and he would invite the Commissioners to keep this principle in view in dealing with all applications which may be made to them for reductions of the present assessment, or for the issue of fresh licenses.

7. The present surplus in the Fire-Brigade Fund,

which is understood to amount to about Rs. 35,000, should, in the Lieutenant-Governor's opinion, be devoted to the formation of a reserve foud for the purchase of new engines, hose, and other plant required for the working of the brigade. A sufficient number of horses for the engines should also be kept, and the establishment generally should be made as efficient as possible.

8. The Lieutenant-Governor would also invite the attention of the Commissioners to the provisions of Section 30 of Act II of 1872 which authorises the Lieutenant-Governor on the recommendation of the Commissioners passed by resolution, to declare that any other fibre or other commodity which is stored or deposited in warehouses, besides jute and cotton, shall be warehoused and kept subject to the provisions of the Act. It appears to Mr. Eden that hemp is a fibre which might properly be brought under the operation of this section, and he will be prepared, if the Commissioners should pass a resolution recommending him to do so, to declare hemp to be subject to the provisions of the Act in the same manner as jute and cotton, and with the same exemption of small quantities as is provided for jute by Section 13 of Act II of 1875.

9. Whether any other commodity besides hemp may properly be treated in the same manner is a question upon which the Lieutenant-Governor does not desire at present to offer a decided opinion. It has been suggested that mineral oils, when kept in any considerable quantities, are a source of serious danger, and that dealers might be required to keep them in licensed warehouses. The Lieutenant-Governor would be glad to receive an expression of the opinion of the Commissioners on this point and to be favoured with any information

which they may be able to give regarding the trade in mineral oils, the amount imported, and the kind of buildings in which the oil is usually stored. The extension of the Act to hemp warehouses (and possibly to oil warehouses also) would throw the burden upon a larger class, and would enable the Commissioners to reduce the existing rates without diminishing the total receipts of the funds.

From Chamber to Government of Bengal.

Calcutta, 15th May 1878.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 704 of the 15th February last, forwarding for their information copy of a letter addressed to the Chairman of the Calcutta Municipality regarding the working of the Jute Warehouse and Fire-Brigade Acts.

Your letter would have received an acknowledgment in due course, but the Committee have deferred it in the hope that the answer of the Chairman of the Municipality would also be placed before them, so that they might have the opportunity of expressing their opinions simultaneously on the subject of your letter and the measures which the Municipality may recommend or adopt: but as further time may lapse before they are in possession of the Chairman's reply, the Committee proceed to submit the following remarks.

I am to express their satisfaction that the persistent representations of the Chamber, regarding the manner in which the Acts referred to have been administered, have at length resulted in the full examination and careful

consideration of the points submitted by the Chamber, of the provisions of the law, and of the practical effect of its operation. It is the evident desire of the Lieutenant-Governor that the law shall, for the future, be administered with a just respect for the interests of those whom it affects ; and the Committee are confident that, after His Honor's recorded condemnation of the system against which they have so strenuously protested, a fair and equitable distribution of taxation will be practically recognised as the only principle on which the Acts can be satisfactorily worked.

That the Chamber had sufficient grounds for protesting against the immoderate charges demanded from the licensees of jute warehouses is amply shewn by the fact that those charges not only defrayed the entire expense of maintaining the fire-brigade but yielded a surplus of more than twice the amount of such expense, as well as by the revelation of an extraordinary misapplication of that surplus to purposes entirely foreign to the objects contemplated by the Act. To weight a limited and generally unprosperous business with excessive taxation and to appropriate a large portion of a surplus thereby acquired to objects altogether beyond the scope of the Act, is so totally opposed to all principle of equity that the Committee cannot refrain from expressing their condemnation of such irregular dealing with funds contributed for the maintenance of a special branch of municipal administration.

The Committee entirely concur in the Lieutenant-Governor's opinion that the fees charged under the Act should be fixed in such a manner as not to yield more than the sum required to render the fire-brigade self supporting,

and that the maintenance of such a service is an object in which all classes of the community are interested and to which all should contribute ; but they fail to see the reasonableness of His Honor not desiring the General Municipal Fund to contribute to the fire-brigade because municipal taxation is already so high. The licensees of jute warehouses are not freed from heavy municipal taxation by their payment of the fire-brigade tax, but have to pay their rates as well as other house-holders. That municipal taxation is already excessive is rather a reason for distributing the fire-brigade tax as widely as possible and not for accumulating it upon a single trade that can with difficulty pay its way.

With reference to the proposal that hemp should be declared to be subject to the provisions of the Act in the same manner as jute and cotton, the Committee apprehend that, as the whole amount of the trade in that fibre is so petty and entirely in the hands of traders in jute, there are not half a dozen godowns used in Calcutta for hemp that are not already licensed for jute, and that the proposal has been made under a misconception of the extent of the trade in that article and of the provision already made for its storage.

There is a point in connection with the matter under submission which does not appear to have arrested the Lieutenant-Governor's attention, but it is an important one; and the Committee believe that if the Municipal Commissioners of Calcutta, of Howrah, and the Suburbs adopt the recommendations indicated by His Honor, the apprehended diversion to the producing districts of the business of screwing jute will be materially checked: for they are credibly informed that the onerous conditions

under which the jute trade has been worked here have caused a steady increase of screwing in the interior which has led to several ships loading at Chittagong, and if that route should be more generally adopted Calcutta would lose a large part of her jute exports, thereby affecting the receipts of the Eastern Bengal Railway Company by diminished traffic and the revenue of the Port by diminished tonnage.

CARGO BOATS.

It will be seen from the letter addressed to the Chamber that certain owners of cargo-boats have presented a very strong remonstrance against the conduct of the River police: and the grievances complained of, under a variety of circumstances, appearing to be such as to call for the interference of higher authority and the consideration of Government, the Committee forwarded a copy of the representation for submission to the Lieutenant-Governor. No reply has been received yet, but it is believed that the matter is engaging His Honor's attention.

From Chamber to Government of Bengal.

Calcutta, 14th March 1878.

The Committee of the Chamber of Commerce desire me to forward a printed copy of a letter addressed to them by some members of the Chamber and others in-

terested in the subject regarding certain wrongs and grievances complained of by the owners and manjees of cargo boats.

Presented with the authority of signatures which they are bound to respect the Committee are of opinion that the remonstrance so strongly urged upon their attention demands the serious consideration of Government, and they forward the representation for submission to the Lieutenant-Governor in the hope that His Honor will be pleased to direct an inquiry into all the matters brought to notice.

Calcutta, 6th March 1878.

Referring to the conversation some of our number had last Saturday with you and with Mr. Mackinnon, your President, we beg to solicit the assistance of the Chamber in redressing certain wrongs and grievances which are shared alike by Cargo Boat Owners and Cargo Boat Manjees.

The manjees have long complained of the persecutions they have been subjected to at the hands of the police, but these proceedings are now being carried on to such an arbitrary extent that they have really become beyond endurance. The result has been that the boatmen as a body struck work last Friday, and the shipping of the port was suddenly suspended all that forenoon, until the men were persuaded to resume work on the assurance that their grievances would be represented through the proper channel.

Ever since the termination of the famine and the commencement of the slack times, there has been, as it were,

a regular raid made by the police on the cargo boat manjees; and the Customs authorities appear to be doing all in their power not only to uphold and assist the police, but to exercise all the authority they can against the interests of the cargo boat owners.

The grievances of the boatmen are, that the police are continually persecuting them. If one of the crew happens to be absent from a boat, the manjee is summarily arrested, taken off to the police, placed before the magistrate the next day, fined on the evidence of a single policeman, and his license taken from him. It is almost unnecessary for us to explain, for it will be obvious to the Chamber, that it is frequently rendered necessary for one of the crew to go ashore, either to report the movements of his boat, or on some other matter connected with the cargo he is carrying, or the business on which he is employed, or for the purpose of procuring the necessaries of life; or a man may suddenly be taken ill and sent ashore. As cargo boat owners, we would be relieved of a great cause for anxiety were the police to take upon themselves a portion of our duty in seeing that our boats are properly manned, but this voluntary and zealous care of our property may be, and is being, carried to such an extent that it becomes a perfect nuisance; it unnecessarily harasses the boatmen, causes constant loss to the owners, and retards business to such an extent as to lead to the greatest annoyance and inconvenience.

Another grievance is, that when a boat is being hauled in to a wharf to load, or alongside a ship to discharge, and there is some trouble and consequent delay in so doing, no matter what the cause of such delay may be, whether from the state of the tides, or from any other cause over

which the boatmen can have no control; if it so happens that a police boat is passing at the time, the manjee is at once arrested, taken off to the police, placed before a magistrate the next day on a charge of causing an obstruction, is fined, and his license is taken from him. Considering how close the ships are moored to each other, and the number of boats that are required to meet the daily loading capabilities of say two ships laying abreast of each other, considering the strength of the tides in the Hooghly, considering also how close the ships are moored to the shore, even at some of the chief export wharves (for instance the wharf between Koila and Chandpaul Ghats) where the daily exports are considerable; it is simply impossible to avoid at times a temporary obstruction and crowding; the interference of the police, which is exercised without any judgment or discretion, falls with great severity on the poor boatmen.

Whilst on this subject, we beg leave to suggest that the Port Commissioners be asked to leave the inshore mooring berths unoccupied by vessels from Koila to Chandpaul Ghats, so as to give the accommodation that is actually necessary for the exports that are daily made from that wharf.

Another grievance the boatmen have is that, by some new rule, no boat is allowed to carry more than 7½ seers of rice for the use of the crew. It is needless for us to make any comment on this; the absurdity and unreasonableness of this new rule will be obvious to the Chamber. But apart from the absurdity of the rule, the arbitrary way in which the police attempt to enforce it is such that no man, however humble in position, could tolerate it. The police go into a boat, upset the crews' pots and pans, and other-

wise ill-treat the men and their property in a most arbitrary and ruthless way. If this is not wanton trespass and abuse of authority, we hardly know how else to designate such action.

Another complaint generally made by the boatmen is, that these raids against them on the part of the police, are frequently made for the purpose of levying "black mail." When a manjee is arrested by the police he has only to make a successful bargain with the arresting officer, generally a native, to effect his release. All the prosecutions against the manjees are conducted by the police, and convictions obtained on the evidence of a single policeman.

Now all these grievances on the part of the manjees recoil on the owners of boats. Owing to the frequent and heavy fines inflicted on the manjees, the crews of the boats have all stuck out for higher wages, and this the owners have been compelled to grant. This falls as a tax on the owners, arising solely from the unnecessary interference on the part of the police. This loss, however, is small, compared with that which is entailed through the detention of the boat and consequent loss of hire. No matter for what offence a manjee is convicted and fined, whether for having a short crew, or for causing an obstruction, the license of the boat is attached by the police, and forwarded to the Customs authorities. The Customs authorities either return the license with a fine, or cancel it altogether; but this also is done by a strange rule of equity. No matter how many boats one owner may possess, if two or three of his manjees, of different boats, are prosecuted by the police, it is considered as a repetition of the same offence, and the license is cancelled.

The owner is then obliged to apply for a fresh license, which necessitates a fresh survey, and this renewal of the license, after a delay of two or three days, which is taken up in the license being sent from the police to the Customs, and on application to the Collector, causes a further detention of three or four days. Formerly the license used to be returned on payment of a fine, which fell heavy enough, but now the cancelling process is reverted to with unrelenting severity.

We submit there is really no necessity for this wanton interference, on the part of the police and Customs authorities, with our private property and the rights and liberties of the cargo boat manjees. Cargo boat owners have quite enough of capital at stake to make them look after their own property, and to exercise sufficient vigilance over the manjees, to see that a full crew is maintained. If the River Police were to do their duty, they ought to have quite enough of legitimate work to attend to without going out of their way to harass cargo boat manjees and impede the work of the port.

In regard to the licensing of cargo boats, owners are made to suffer an unreasonable detention and loss of hire, through the culpable indifference on the part of the Custom House authorities as to the unnecessary delay that takes place in the issue and registration of the licenses. A boat is first sent to the Kidderpore Dockyard for survey, but there no delay occurs, for the Surveyor of Cargo Boats, we feel bound to admit, promptly executes his part of the work. After the survey, the boat is sent to the Custom House Wharf, and it is here that the trouble and delay is experienced, owing to the supercilious indifference displayed by the Custom

House people from the Registrar of Cargo Boats down to the peon who goes to see the number painted on the boat.

We submit there is no necessity for the boats being sent all the way from the Kidderpore Dockyard to the Custom House Wharf simply for the purpose of a peon being sent on board to have the number painted on. This portion of the licensing operation could better be done at the Dockard by the Surveyor when he has passed a boat. Indeed it would be a cheaper and better arrangement if the offices of Surveyor and Registrar were amalgamated into one, and we think if this matter were represented to the Government, it would meet with some consideration.

Another grievance the native cargo boat owners complain of, but which has not yet been felt by us, is that when a new boat is sent for registration after survey, the Registrar insists on knowing what the boat has cost, and even goes so far as to demand the production of the account to support their statements, meanwhile withholding their license.

Another new rule recently issued by the Customs authorities appears feasible in theory, but practically works to great inconvenience and loss to cargo boat owners. When goods are returned from a vessel, the Preventive Officer on board issues a protective boat-note, which holds good for 24 hours only. If the owner of the goods does not take delivery within that time, and often it occurs that he cannot do so, the license is taken to the Custom House, where it is retained until application is made for it. The license is then, at the option of the Collector,

returned either with or without payment of a fine, or it is cancelled. In any case, the loss, by detention of the boat, falls very heavily on the boat owner. There is really no necessity for the exercise of such severity in a matter of this kind.

Another new rule, which causes considerable inconvenience, might well be withdrawn without the least detriment to the Customs Department. From time immemorial, it has been the custom that, as soon as a boat is loaded at a wharf, it hauls out to make room for other empty boats to come in to be loaded. The loaded boats haul out and hang to a buoy, and, as is often done, the manjee is ordered by the shippers' sircar, if the tide suits, to drop down to a particular buoy, and to wait there until he gets his boat-note : meanwhile, the shipper is taking out his pass at the Custom House. Now if a loaded boat is found laying at a buoy, even if it be at a buoy just outside the loading wharf, the Customs' Inspectors demand the license from the manjee, and forward it to the Collector. The tedious, dilatory, and ruinous process of getting back the license has to be gone through again.

Since writing the above, one or two matters have transpired which we think it necessary to mention here. On Tuesday last, a boat, which had been laying empty at a buoy, was coming to the wharf to allow one of the crew to go on shore. The wharf was crowded, and the man, seeing there would be delay in getting the boat close inshore, left it when it was still a little way out. Shortly after he had done so, the Police Boat came by and arrested the manjee for having a short crew. The owner of the boat went down to the Police Court to have the manjee defended. He went too late, for the case had been

disposed of, and the manjee fined Rs. 3 ; but while giving his instructions to one of the Pleaders of the Court, he was informed by the Pleader that it was useless to defend the manjees in cases of this nature, as, unless very good witnesses, other than boat manjees, could be produced, the Court would be certain to convict on the evidence of the police. The Pleader also stated he had defended several manjees in cases of this kind, but he had found it a hopeless task to get an acquittal. We mention this to show the impression left even on the minds of the Pleaders.

Another matter is, that a few days ago a boat was coming out of the canal, and a policeman hailed the manjee, and demanded his "khorakee," a common occurrence as we are given to understand. The manjee knowing what his fate would be if he refused, asked how it was to be given. The policeman threw a cloth on board, and told the manjee to fill it with rice, and to hand it to a beggar who was passing at the time, intending, doubtless, to take it from the beggar at a favorable opportunity. The manjee did as he was told, but it so happened that, just at that moment, another policeman was passing by, who arrested the beggar and the manjee. The manjee then made a clean statement of the whole case, and the result was, that the first policeman was also arrested, and eventually the policeman and manjee were both convicted by the magistrate. This case will speak for itself.

From a report in the daily newspapers of a case that was recently tried in the Calcutta Police Court, it appeared that Superintendent Robertson came forward to explain that the late strike among the cargo boat manjees

arose from the fact that 29 of their number were arrested on one day on a charge of bleeding bags of rice. Now this charge against these 29 men was got up the day after the police had, by beat of drum, notified the new rule that no boat was to carry, for the use of the crew, more than a certain quantity of rice. To enforce the rule, a regular raid was made against the cargo boat manjees; the manjees of those boats in which more than that quantity was found, were arrested and charged with bleeding the bags. What evidence did the police produce in support of the charge? Surely they were not eye-witnesses to the bleeding operation, and we are given to understand the charges were not made at the instance of the shippers. The bleeding of bags is carried on to as great if not greater, extent by the coolies and cartmen ashore, but the police do not find it such profitable employment in prosecuting these men, for the reason that they cannot be caught in out-of-the-way places beyond the reach of witnesses, as is the case with the cargo boat manjees.

We trust the Chamber will agree with us that cargo boat owners and cargo boat manjees have just and reasonable grounds to protest against this abuse of power and tyrannical treatment, and we solicit the early assistance of the Chamber in having these grievances redressed.

Bill to Amend the Law relating to Promissory Notes, Bills of Exchange and Cheques.

THE Committee having been requested to express their opinion on the provisions of this Bill sent in the following remarks upon those sections which appeared to them capable of amendment.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 18th February 1878.

THE Committee of the Chamber of Commerce desire me to submit the following remarks on the Bill to define and amend the law relating to Promissory Notes, Bills of Exchange, and Cheques.

Section 1.—The Committee are of opinion that the term *Hundi* should be defined, in the same manner as Notes, Bills, and Cheques are defined.

Section 19.—The Committee suggest that this section would be better expressed by transposing the word *Cheque* after *Bill of Exchange.*

Section 22.—Cheques, as such, are payable on demand; but if they are made payable at sight, after sight, or after date, they become Bills of Exchange and require to be stamped as such.

Section 23.—The expression *at sight* has not hitherto meant *on demand.*

Section 26.—The Committee fail to perceive any distinction between a *non-business day* and a *public holiday*, for they consider every day to be a business day that is not a

public holiday or is not one of the days covered by that expression. The explanation in the Bill practically includes all Indian holidays, the effect being that all negotiable instruments maturing on these days are payable on the next *succeeding* business-day. There seems no sufficient reason to alter the present custom which is quite the opposite, and under which payment has invariably been made on the day *preceding* such non-business day or public holiday.

Section 27 (d).—The provision contained in this clause is a dangerous one, because the custom in Calcutta on presentation of bills for payment is for the holder to endorse them before presentation, but such endorsement does not necessarily prove that the bills have been paid.

Section 28.—The exception to this section seems of doubtful expediency, and to contradict the provision of the Section immediately following.

Section 34, 35 and 40.—The wording of these sections requires to be made more distinct.

Section 42.—The Committee are of opinion that the exception to this section should be omitted. A partner when signing for his firm should always use the firm's name, and not his own; if his acceptance is for partnership purposes the firm's name, and not his own, should be used.

Section 45.—Ordinarily bankers decline to accept, except in cases where they have specially agreed to do so: for instance—a cheque which has been altered and made payable at sight, after sight, or after date, would be refused acceptance by a banker in this country. Any other

practice would lead to confusion. A banker cannot be expected to write off amounts from an ordinary current account to provide for acceptances.

Section 51—seems complicated, for if *every* prior party is a *principal debtor* how can they be described as *sureties?* A verbal alteration of the section is necessary, as at present the position of the principal debtor and sureties does not appear to be sufficiently defined.

Section 70.—The Committee are of opinion that it would be simpler to make the words *or order* a sign of negotiability, and their absence the reverse. At present the endorsement *Pay C.* would be considered as requiring *C* to apply personally for the money, and would not empower him to transfer the document to any other than the drawee.

MASTER AND SERVANT BILL.

THE revised Bill to define the Law relating to Master and Servant has had the Committee's attention, and their opinion of it will be found in their reply to Government.

From Government of Bengal to Chamber.

Calcutta, 11th April 1878.

I am directed to forward herewith a copy of a draft (revised) Bill to define and amend the Law relating to Master and Servant and of its statement of objects and reasons, and to request that you will be good enough to favour the Lieutenant-Governor with an expression of

opinion of the Committee of the Chamber of Commerce on the provisions of the Bill.

2. I am to request that a reply may be sent so as to reach this office by the end of May next.

From Chamber to Government of Bengal.

Calcutta, 15*th May* 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 1718 of the 11th ultimo, with copy of a Bill regarding the relation of Master and Servant which is intended to form a chapter of the Indian Civil Code.

The Committee are much inclined to doubt the expediency of the proposed legislation, as they consider the relations existing between Masters and Servants sufficiently well established and recognised without the interposition of an express legal enactment: but if it is the purpose of Government to proceed with the measure the Committee are of opinion that, compared with the Draft Bill published some months ago, and which failed to carry with it the approval of the public by whom many of its provisions were strongly objected to, the Bill now before them presents no features to which exception can reasonably be taken.

Value-Payable Overland Parcels.

THE Director General of the Post Office having invited the opinion of the Committee on the question whether the extension of the value-payable system to overland parcels would or would not be a boon to the public, especially to Europeans residing in the interior of the country, the Committee have replied in the affirmative, as they believe the arrangement would be greatly appreciated by those who have no facilities in distant and isolated parts of the country for making remittances, and instrumental in promoting the convenience of the community generally.

From Director General of the Post Office of India to Chamber of Commerce.

Calcutta, the 9th April 1878.

In forwarding to you the accompanying Memorandum and its enclosures, relative to the objection taken by the Calcutta Trades Association to the extension of the 'value-payable' system to overland parcels, I have the honor to invite an expression of the opinion of the Bengal Chamber on the point mentioned by the Government of India, *viz.*, whether "the extension of the 'value-payable' system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country."

Memorandum by A. M. MONTEATH, ESQ., *Director General of the Post Office of India,—No.* 388, *dated 9th April* 1878.

Annexed are copies of the papers noted on the margin relative to the objection taken by the Calcutta Trades Association to the extension of the system of 'value-payable' parcels, so as to include parcels transmitted from England to India.

From Secretary, Calcutta Trades Association, dated 8th December 1877.
To Secretary, Calcutta Trades Association, No. 8597, dated 12th February 1878.
To Secretary to the Government of India, Financial Department, No. 8598, dated 12th February 1878.
From Secretary to the Government of India, Financial Dept. to the Secretary, Calcutta Trades Association, No. 1961, dated 21st March 1878.

2. It will be observed from the paper last quoted, that the Government of India desires to learn from other representative bodies "whether in their opinion the extension of the 'value-payable' system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country." In pursuance of this desire, it is now proposed to consult the several Chambers of Commerce, the Trade Associations of Madras and Bombay, the Agents of the principal Railways (on behalf of the large numbers of the Europeans employed under them), the Planters' Association, Assam and the Coffee Planters' Association.

3. The 'value-payable' system provides for the transmission by the Post Office of a parcel (paid or unpaid) with the condition of realizing from the addressee on delivery the value of its contents as declared by the sender, and the payment to him (the sender) of the amount so realized, less a commission of about 2 per cent.: thus facilitating intercourse between customers and tradesmen by saving the addressee (or customer) from the trouble of

a separate remittance and the sender (or tradesman) from the risk and trouble of collecting his money.

4. No question has been raised as to the probable convenience of the system as applied to the inland parcel post of India; and the point raised by the Calcutta Trades Association has reference solely to the extension of the system to parcels coming from England to India.

From E. HICKIE, Esq., *Secretary, Calcutta Trades Association, to the Director General of the Post Office of India,—dated 8th December* 1877.

In your Notification of the 1st November 1877, relative to the introduction into the Indian Post Office of a system of 'value-payable' parcels, it is stated that the system "will shortly be extended to 'overland parcels' booked in London for delivery in India."

2. The Committee of the Calcutta Trades Association desire to protest most strongly against the extension of the system to England, as calculated seriously to injure all who are engaged in trade in India. That this must be the result is obvious; and yet this consideration appears to have been overlooked in the preparation of this scheme.

3. The Committee desire also to express their surprise that no reference should have been made to them in this matter, seeing it is so intimately connected with the interests they represent. They submit that, if it was thought advisable to obtain their opinion when the scheme was first mooted in connection with India, in 1870, there was clearly a greater necessity for doing so at the present time.

4. It cannot be denied that the Post Office is working within its legitimate limits in endeavouring to facilitate the delivery and payment of small packages of merchandise sent from one part to another of the *same* country; but when it proposes to establish an agency for similar purposes between two countries opposed in so many respects as England and India, and which have not even a common currency, the Committee submit that the Department is entering on a service which does not lie within its province.

5. The Committee would remark that the Trades Association made no objection to the introduction of the Money Order and Overland Parcel Post systems, as it was felt that these measures were for the convenience of the Indian public, notwithstanding that they might tell, as they have told, against the direct interests of the Indian trader. It is, however, a very different matter when the Government takes upon itself functions which lie completely outside its legitimate sphere, and the Committee contend that it cannot be any part of the duty of a Department of the Indian Government to collect bills for traders either within or without the country.

6. When the proposed measure was first announced in 1870, it was believed that its application to local transactions would tend to relieve the almost compulsory system of credit which obtains in India; but a re-consideration of the question has led to a better appreciation of the broad principle involved, and the Committee would now prefer to see the proposed scheme abandoned in its entirety. If it be adopted, its application abroad cannot fail to have a depressing influence on trade here, with the probability that the revenue may suffer on the one hand,

without either the general public or the Government re-receiving an adequate advantage on the other.

7. The Committee would also remark that the British Post Office has apparently not advocated the scheme, nor has any connection with it, and it appears, therefore, unjust to the Indian tax-payer that an important public department of this country should be permitted to become the medium for promoting the interests of the London tradesmen only, and to establish in London a separate agency for the Indian Post Office, thereby increasing the home charges of India.

8. It is questionable, also, whether the system, if extended to England, would, under the limit of value payable, *viz.*, £10, satisfy either the Indian consumer or the London supplier, for the Committee presume that the Government do not contemplate the development of the system, in reference to overland parcels to its *fullest* extent.

9. It is also a significant fact, as showing the undesirability of the proposed scheme, that although private enterprise is ever ready to forward the interests of the public, it has not ventured on an undertaking of this nature.

10. There will also necessarily arise, in connection with this matter, questions of Exchange, Commission, Insurance, Freight, and Customs Duty; and when these are fully considered, the working of the scheme will be found to be surrounded with so many practical business difficulties as would hardly, the Committee conceive, induce any Government to be at all more ready than private enterprise to enter upon it.

11. The Committee would therefore respectfully solicit that a scheme so objectionable on all grounds, and so illusive in the advantages it seems to present to the general public, may not be confirmed by the Government of India.

4. I give below extracts from the replies to the communication above mentioned:

Calcutta Trades Association,—27th July 1870.

"In the absence of details as to the working of this system, the Committee does not feel itself competent to pronounce a decided opinion, although on a *primâ facie* view of the question there appears to the Committee no reason why such a system should not succeed in India, where it would, if introduced, be a convenience both to the public and the trade. To the trade the risk which now attends the complying with orders from persons in distant parts of the country of whom little or nothing is known would certainly be greatly diminished, while to the public an easy and expeditious way of paying for goods would be secured. And nowhere would the convenience of such a system be so much appreciated as in the many small stations throughout India where no means are available to the residents for the remittance of money of Calcutta."

Madras Trades Association,—22nd August 1870.

"The Committee of this Association think that the introduction into the Indian Post Office of the Prussian system of Postal carriage of parcels and the collection of the cost of them would be very advantageous to the public. The Committee would like to see such a system have a trial in India.

"The Post Office of the United States of America, I believe, performs a similar service, and it is found to work well.

"There can be no doubt that persons in some parts of the mofussil find it very inconvenient to remit small sums of money; and to such persons the system would be invaluable.

Bombay Trades Association,—31*st March* 1871.

"We are strongly of opinion that if you see your way towards adopting the proposed arrangement, it will be of unquestionable benefit to the public. Many of us have large transactions with the mofusil, and our experience leads us to think that considerable numbers of our constituents there would adopt this plan of paying for their purchases in preference to that of sending money in advance.

"The system would doubtless be liable to abuse, sometimes by the sender, and sometimes by the addressee of a parcel; but as the Post Office would probably protect itself against loss from such abuse, caution would soon be exercised by both parties in making use of the arrangement.

"We beg to express our cordial approval of the proposed system, *if worked wisely.* We understand that it has long been in successful operation in several European countries, and believe that it will result in a large internal development of trade in British India."

5. While in Europe in 1873-74, I found that the system of 'value-payable' parcels was not confined to the internal post of Prussia, but had been extended to

other European countries, and made to embrace international as well as internal operations. I found also that it was believed to be much valued by the public of the countries to which it had been extended.

6. When I made the reference to the Trades Associations in 1870, the parcel post was confined to Indian limits, and the opinions then given had reference solely to the parcel post as then existing. The parcel post has since been extended to Great Britain; and the question now at issue is, whether the 'value-payable' system, regarded for inland purposes as an "unquestionable benefit to the public" (Bombay Association), as a thing "very advantageous to the public" (Madras Association), and as a thing likely to be "a convenience both to the public and the trade" (Calcutta Association), should not be regarded in a similar light as respects the overland service.

7. So far as concerns the convenience of the *Indian public generally*, I believe that the 'value-payable' system is beneficially applicable to overland parcels in quite the same degree as to inland parcels. As concerns the interests of that portion of the public *who are engaged in trade in India*, I do not feel able to regard the views held by the Calcutta Trades Association as belonging, in any considerable sense, to Indian tradesmen outside the limits of the presidency towns. And even as respects those *engaged in trade in the presidency towns*, I cannot but think that the effect of the measure has been wrongly estimated.

8. I would invite the attention of the Government to the fact that in the overland service it is proposed to limit

the amount payable on any single parcel to £10, thus placing an important restriction upon its operation as compared with the inland system. I would also mention that the average weight of an overland parcel from Great Britain to India is only 6 lbs., thus showing the very small character of the transactions for which the overland parcel post is used. The rate of charge, too, (6*d.* per lb. for books and 1*s.* per lb. for other articles), is high when compared with the cost of transmission of goods as freight from London to Calcutta, Madras, or Bombay. And having regard to these considerations, I do not see reason to anticipate a disturbance of trade operations in the presidency towns from the application of the 'value-payable' system to the overland parcel post. Such an anticipation is, to my mind, premature.

9. I cannot concur in the view expressed in the 4th paragraph of the Association's letter, to the effect that a parcel service which is admitted to be within the legitimate limits of postal organisation, so long as it is confined to one country, ceases to be so when it links two countries together. This is not the view held in those countries where the system is worked in Europe; and it seems to me obvious that if the value-payable system between England and India is to be condemned on this ground, the whole overland parcel post ought to be condemned with it.

From Trades Association to Government of India.

Calcutta, 23rd February 1878.

The Committee of the Calcutta Trades Association having been informed by the Director General of the Post Office that it is his intention to lay before the Gov-

ernment of India the correspondence relating to the system of value payable parcels recently introduced into the Indian Post Office, and which it is proposed to extend to "overland parcels" booked in London for delivery in India, I have the honor to submit the following observations of the Committee on the subject :—

2. It will be observed, from the accompanying copy of a letter which was addressed by the Association to the Director General on the 8th December 1877, that the Committee have protested against the extension of the system to overland parcels booked in London for delivery in India. The grounds on which the Committee have based their protest are, that the extension of this system beyond the limits of British India is neither essential to the convenience of, nor called for by, the public; that it does not lie within the province of the Post Office; and, lastly, that serious injury would be caused thereby to the interests of those engaged in trade in India.

3. The Director General, in his answer to the protest of the Association, intimates that the proposal has been made "in the interests of the public," and with the object of "promoting the general convenience." The Committee submit that the plea of promoting the convenience of the public cannot fairly be put forward in the present case, as the public have already ample facilities for procuring goods from England through the agency of the Overland Parcel Post, and of paying for them through the Money Order Office. The Committee believe that these agencies fully meet the requirements of the general public so far as Government is justified in providing for them.

4. The persons who would be mainly benefitted by the proposed scheme would be the London tradesmen, who do not contribute to the Indian revenue, and possess, by their residence in England, immense advantages over their Indian competitors, but who would, if the value payable parcels system comes into operation, be absolutely guaranteed by the Indian Government against risk. In addition to this, all expenses and losses by Exchange, which are now borne by the Indian tradesman before he receives his goods, and must be paid, sold or not sold, will be realized by Government from the purchaser.

5. The Committee do not lose sight of the fact that one of the chief objects of so important a public department as the Post Office is, to consult the convenience of the public generally, and not of any particular section thereof. They cannot, however, admit that this principle has been observed in the present case, as the *English tradesman* and not the *public* will chiefly benefit by the proposed scheme. The public have not desired it, and they seem to be fully satisfied with the facilities presented by the Overland Parcels Post and Money Order systems for getting out and paying for goods to small amounts. So far as the Trades are concerned, they would willingly see the entire scheme abandoned, rather than it should be adopted in its present objectionable form.

6. It must not be forgotten that the Indian tradesman is heavily taxed, and that the losses and expenses incident to business in India are exceptionally heavy; and it seems therefore contrary to sound policy and common justice that the Post Office should increase these advantages by offering facilities to tradesmen in England to

which they have no reasonable claim. No taxes are paid by them to the Indian Government, nor have they capital invested in a large stock, such as the Indian tradesman is forced, in the nature of things to maintain. They will further incur no risks, as the scheme under notice will, in its operation, secure them their money or the return of their goods. In therefore undertaking to realize and remit the price of goods sent out by them to India, the Post Office will assist a most unfair competition with the local trader, and will also place the importation of a large class of goods into this country by resident traders at a serious disadvantage.

7. The Committee trust therefore that, for the reasons herein adduced, the system of 'value-payable' parcels will not be extended to England.

From A. M. MONTEATH, ESQ. *Director General of the Post Office of India, to the Secretary, Calcutta Trades Association,—No.* 8597 *dated* 12*th February* 1878.

Your letter of the 8th December, protesting against the extension of the system of 'value-payable' parcels to overland parcels booked in London for India, has been considered by me since my return from tour.

2. The proposal to apply the 'value-payable' system to the parcels post (inland and overland) was made in the interests of the public as a whole, the object being to promote the general convenience. It was not anticipated that any particular interest would be injured; and I am still of opinion that no injury is likely to result from the system to those engaged in trade in the presidency towns.

3. But as the Calcutta Trades Association have such

a strong objection to the proposed measure on the ground of anticipated injury to the interests of those engaged in trade, I shall lay the correspondence before the Government of India.

From A. M. MONTEATH, ESQ., *Director General of the Post Office of India, to the Secretary to the Government of India, Financial Department,—No.* 8598, *dated* 12*th February* 1878.

I have the honor to forward, for the consideration and orders of the Government of India, copy of the correspondence noted on the margin, containing a protest from the Calcutta Trade Association against the extension of the system of 'value-payable' parcels to overland parcels booked in London for India.

From Secretary, Calcutta Trades Association, dated 8th December 1877.
To Secretary, Calcutta Trades Association, No. 8597, dated 12th February 1878.

2. The Government will observe that, while intimating to the Association that I do not share their anticipation of injury to trade interests, I have said that the correspondence would be laid before the Government.

3. In the letter of the Calcutta Trades Association, reference is made to a correspondence which took place in 1870, and I may explain, for the information of Government, that in that year I addressed the Trades Associations of Calcutta, Madras, and Bombay describing the 'value-payable' parcel system as existing in the Prussian Post Office, and asking for an expression of their opinion "as to whether they regard the measure as one calculated materially to benefit the public in India."

From C. BERNARD, ESQ., *Additional Secretary to the Government of India, Financial Department, to the Secretary, Calcutta Trades Association,—No.* 1961, *dated* 21*st March* 1878.

Your letter, dated the 23rd February, conveying the views of the Calcutta Trades Association on the proposal to extend the value-payable system to overland parcels has been considered by His Excellency the Viceroy and Governor General in Council.

2. In reply, I am directed to state that the extension of the value-payable system was proposed as a boon to the public of India, because that system had worked well and had been highly appreciated in European countries, and because it had already been successful in India. Your Association now submits its opinion that the proposed extension is not required by the public, that it is surrounded with many practical difficulties, and that the value-payable system, if successfully applied to overland parcels, will work much injury to the tradesmen of India and, through them, to the public.

3. His Excellency the Viceroy in Council considers that a representation from the Calcutta Trades Association is entitled to much consideration from the Government, and the arguments contained in your letter have accordingly been carefully weighed both by the Director General of Post Offices and by the Government. At the same time, His Excellency in Council is not satisfied that a boon of this kind, which is expected to benefit the general public, should be withheld in deference to the wishes of the Trades Association. As yet no expression of opinion on the matter has reached the Government of India from any public body, besides your Association. Before taking a final decision, the Governor General in Council

will cause other representative bodies to be consulted, whether in their opinion the extension of the value-payable system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country.

From Chamber to Director General of the Post Office of India.

Calcutta, 25th April 1878.

The Committee of the Chamber of Commerce have had under consideration the subject submitted in your letter No. 387 of 9th instant, and they instruct me to state, in reply, that in their opinion the extension of the value-payable system to overland parcels would be a boon to the public generally, and its advantages appreciated specially by European residents in the mofussil and at distant stations throughout India who have not convenient means of remitting money.

The proposed action of Government in this matter may perhaps, in some measure affect the interests of Indian Tradesmen, but the Committee question very much whether the injury likely to result has not been considerably over estimated by the Calcutta Association, or whether it would be of such magnitude as to justify the abandonment of a scheme which appears capable of being materially useful to the general public.

SUEZ CANAL.

THE President of the Suez Canal Company having requested the Chamber to give publicity to the revised regulations for the navigation of the Canal, the Committee have inserted them in this Report as the most convenient means of bringing them to the notice of members and of having them recorded for reference at any time.

Paris, le 27 *Mars* 1878.

MONSIEUR LE PRESIDENT,

J'ai l'honneur de vous expédier aujourd'hui, par la poste, un exemplaire du nouveau Règlement de navigation dans le Canal maritime de Suez, qui sera appliqué à dater du Ier juillet 1878.

Des modifications ayant été introduites dans le texte de ce document, je vous prie de vouloir bien en donner communication au commerce de votre ville par votre mode de publicité habituel.

Je vous serais très-obligé, Monsieur le Président, de me faire savoir si le document que je vous transmets vous est parvenu.

Veuillez agréer, Monsieur le Président, l'assurance de ma considération très-distinguée.

Pr Le Président,

Ch. A. deLESSEPS.

Monsieur le Président de la Chambre de Commerce de Calcutta.

WORKING DEPARTMENT.

REGULATIONS FOR THE NAVIGATION

Of the Suez Maritime Canal (1)

"ART. 14. We hereby solemnly declare for ourselves and for our suc-
"cessors, under reserve of ratification by H. I. M. the Sultan the great
"Maritime Canal from Suez to Pelusium and ports belonging to it hence-
"forth and for ever open, as neutral passages to any merchant vessel
"crossing from sea to sea without any distinction, exclusion or preference
"whatever for persons or nationalities against the payment of dues and
"execution of regulations established by the said Universal Company
"grantee for the working of the said Canal and its dependencies.

"ART. 17. To indemnify the Company for the expenses of construc-
"tion, maintenance and working devolving upon them by these presents,
"we authorise the Company henceforth, and during the whole term of
"their lease as determined by clauses 1 and 3 of the preceding article, to
"establish and levy for the passage thro' the Canals and ports thereunto
"appertaining navigation, pilotage, towage, tracking or berthing dues
"according to tariffs which they shall be at liberty to modify at all times
"upon the following express conditions :

"1st. That these dues be collected without exception or favour from
"all ships, under like conditions.

"2nd. That the tariffs be published three months before they come
"into force, in the capitals and principal commercial ports of all nations
"whom they may concern.

"3rd. That for the special navigation due the maximum toll shall not
"exceed ten francs per ton of capacity on vessels and per head of
"passenger."

(*Extract from the act of concession dated 5th January* 1856.)

ARTICLE FIRST.

Before entering the Canal captains of ships shall bind themselves on receiving a copy of the present regulations to abide by and conform themselves in all points to all required arrangements made in view of the execution of these regulations.

ART. 2.

The Suez Canal having a depth of eight metres (26 ft. 3 in english) throughout its entire length, is open to ships of all nationalities, provided

that their draft of water does not exceed seven metres and a half 24 ft. 7 in english), and that they conform to the following conditions :

Sailing vessels above fifty tons are bound to be towed thro'.

Steam vessels may pass thro' the Canal by means of their own steam power or be towed subject to the conditions hereafter noted (2)

ART. 3.

The maximum speed of all ships passing thro' the Canal, is fixed at ten (10) kilometres equal to 5½ nautical miles per hour.

(1) These regulations are to come into force on and after the 1st of July 1878. Previous regulations are hereby annulled.

(2) Of course, the towage of steamers through the Canal is not compulsory on the Company ; it will only be performed in so far as they have unengaged tugboats.

ART. 4.

Every vessel measuring more than hundred (100) tons gross must take on board a Company's pilot for the whole length of the Canal, who will indicate all particulars concerning the passage through.

The captain is held responsible for all groundings and accidents of whatsoever kind, resulting from the management and manœuvring of his ship.

Pilots place at the disposal of captains of vessels their experience and practical knowledge of the Canal ; but as they cannot be specially acquainted with the defects or peculiarities of each steamer and her machinery, in stopping, steering, etc., the responsibility, as regards the management of the ship, devolves solely upon the captain.

ART. 5.

When a ship intending to proceed through the Canal shall have dropped anchor either at Port-Said or Suez, the Captain must enter his ship at the Transit Office and pay all dues for passage, as also for pilotage, towage and berthing when such be the case, a receipt for the same shall be delivered to him, which will serve as justification whenever required.

The following written information to be handed in by the captain :
Name and nationality of the ship,
Name of the captain,
Names of the owners and charterers,
Port of sailing,

Port of destination,

Draft of water,

Number of passengers as shewn by the shipping list,

Statement of crew as shewn by the muster roll and its schedules,

Capacity of the ship according to the legal measurement ascertained by producing the special Canal certificate, or the ship's official papers established in conformity with the Rules of the International Tonnage Commission, assembled at Constantinople in 1873.

ART. 6.

The Company determine the hour of departure of each ship and her subsequent stoppages at sidings, in such manner as to give full security for the navigation as well as to ensure as much as possible the rapid passage of mail steamers.

Therefore no ship can require as a right an immediate passage through the Canal neither will any claim be admitted in connection with any delay originating from the foregoing causes.

ART. 7.

All ships on entering the Canal are to be prepared by bracing their yards forward, running in their flying jib and jib-booms and swinging their boats in board.

In addition to their two bow anchors they must carry at the stern ready for letting go at the request of the pilot a strong kedge with a stout hawser bent on sufficient to hold the ship.

ART. 8.

§ 1. During a ship's passage through the Canal, she must have a boat towing astern containing a hawser in readiness for being promptly fastened to any mooring post on either side of the Canal.

§ 2. The captain is required to establish a watch both by day and night; the men to be in readiness to ease away or cut hawsers as may be required.

Every ship made fast on four hawsers must slacken those moored to leeward, in order to give free passage to tugs, steam launches, hopper barges and any other craft of a light draft, that shall have to pass her.

§ 3. Navigation by night time is only authorized under exceptional circumstances and under the captain's full responsibility assumed in writing as far as any delay, mishap and damages that might happen to

his own ship are concerned, as well as such aforesaid occurrences as he might cause to other ships in transit or to the Company's craft and plant to be found in the Canal (1).

While navigating by night time under the above authorized conditions ships must carry their usual lights and have a man on the look-out forward.

Ships moored during night time must shew a white light forward and another aft with the usual look-out.

At the approach of tugs, steam launches, hopper-barges, etc., or of a ship empowered to pass them, they must show the side for free passage, by exhibiting on such side two white lights.

§ 4. All steamers, tugs included, must blow their steam whistles when approaching the curves of the Canal, also when passing in either direction boats or lighters, dredgers or any thing alse afloat. They must stop when the Canal appears not to be clear. They must pass along all siding, stone or earth-work yards, vessels made fast or under weigh, hopper-barges, dredgers and any other other craft at a reduced speed.

§ 5. Whenever a collision appears probable no ship must hesitate to take the ground and thus avoid the collision. The expenses consequent upon a grounding under these circumstances shall be defrayed by the ship in fault.

§ 6. When two vessels proceeding in an opposite direction are in sight of each other, they must both decrease their speed and hug the starboard shore or stop if so required by the pilot.

§ 7. Ships proceeding in the same direction are not allowed to pass each other in the Canal.

This move, when necessary, can only be effected at the sidings, under the immediate management of the Canal Company's Employés.

ART. 9

When circumstances arise that oblige a ship to stop during her passage through the Canal and when a siding is not at hand, which must always be reached if possible, the captain must make fast ahead and astern to the weather bank, shewing the proper signal by day, and two lights by night, forward and aft as already mentioned.

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(1) Navigation by night time and by foggy weather in the Bitter Lakes is also but exceptionally authorized and under the same conditions.

In the event of a grounding, the agents of the Company alone shall have the right to direct all operations by which a vessel is to be floated off again, to unload and tow the vessel as may be necessary, by means of the plant and stock which the Company has at hand, at the expense of the vessel unless it be regularly proved that there was an insufficient depth of water in the canal or that erroneous direction by the pilot had caused the grounding.

The aforesaid costs of floating, towing, discharging and reloading, etc., must be paid according to the account or estimate of the Company, before the departure of the ship from Port-Said or Suez.

All manœuvres with the object of helping to refloat a grounded vessel are formally prohibited to other ships in transit.

ART 10.

The following prohibitions are hereby notified :

§ 1st. The overloading of the deck, before entering the Canal, with coals or other merchandise to such an extent as to compromise the general stability of the vessel.

§ 2. The anchoring of a ship in the Canal except through unavoidable circumstances and then only with the consent of the pilot.

3. Throwing into Canal earth, ashes, cinders or material of any kind.

§ 4. Picking up, without the direct intervention of the Company's agents any thing that may have fallen into the Canal.

Should any material of whatever kind fall overboard, the circumstances are to be immediately made known to the pilot, who is instructed to transmit such information to the Company's agent at the nearest station.

The recovery of all material that has fallen into the Canal, whatever may be the attendant circumstances, shall be carried out at the expense of the captain, to whom such material will be restored when the aforesaid expenses are paid thereon.

§ 5. It is expressly forbidden, and on penalty of legal proceedings, to masters of ships while in the Canal or in the ports or sidings thereto appertaining, to allow shots being fired from board ship.

ART. 11.

1. The net tonnage resulting from the system of measurement laid down by the internal Commission of Constantinople and inscribed

on the special certificates issued by the competent authorities or on the ship's official papers is the basis for levying the special navigation due of ten (10) francs and the surtax of three (3) francs already reduced to two francs fifty (2 fr. 50) and further reducible at the periods stipulated by the Convention of February 21st 1876, approved of the 30th March 1877 by the Sublime Porte (1).

In levying the dues, any alteration of net tonnage subsequent to the delivery of the above mentioned certificate or papers, shall be taken into account.

2. The canal authorities may ascertain whether cargo or passengers are carried in any spaces which, as shown by the certificate of tonnage, have not been included in the gross measurements, or which were allowed as deductions for the accommodation of the crew after measurement, or which being within the engine, boiler or bunker space, form no part of the net tonnage shown on the certificate ;

And generally may verify whether all the spaces which ought to be included in the tonnage are entered on the certificate and are exactly determined thereon.

3. Every vessel not provided with a special certificate or official papers giving the net tonnage laid down by the Constantinople Commission, shall be measured by the Company's agents in conformity with the Constantinople rules, and shall pay her dues according to such measurement, until she produces a special certificate from the authorities of her own country.

4. Vessels of war, vessels constructed or chartered for the transport of troops, and vessels in ballast are exempted from the surtax : said ships pay the special navigation due of ten (10) francs per ton on the net tonnage defined by the Constantinople Commission.

5. Any ship carrying mails or passengers or having in her holds coals or other merchandise in whatever quantity, is not considered as being in ballast.

6. The charge of ten (10) francs per passenger above twelve years of age or of five (5) francs per passenger from 3 to 12 years old, as well as the transit dues, must be prepaid on entering the canal at Port-Said or Suez.

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(1) See page 9 the "Extract from the final Report summing up the proceedings of the international tonnage Commission assembled at Constantinople, in 1873 ;"

And page 10 the "Convention of February 21st 1876, approved of the 30th March 1877 by the Sublime Porte."

7. The berthing or anchorage dues at Port-Said, Ismailia and opposite the Company's embankment at Suez are fixed at 0 fr. 02 centimes per day per ton after a stay of twenty-four (24) hours and for an unlimited time, the berth of the ship being assigned to her by the harbour-master. The amount will be collected every ten days.

8. Errors in the declaration of tonnage or in the levying of the dues must be rectified within a month after the ship's passage through the canal. After this delay rectifications will not be admitted; no erroneous application of the tariff can ever be brought forward as a precedent against the Company.

Transitory provisions.

A surtax of four (4) francs, in addition to the tax of ten (10) francs, shall be levied per net register ton on steamers whenever the deductions due to engines have been determined under § A of clause XXIII of the British Act of 1854 defining rule III (1).

The gross tonnage of ships not measured under Moorsom's system is brought into accordance with that system by the application of the Lower-Danube scale of factors, and their net tonnage is determined according to § A of clause XXIII of the above-named British Act; they shall pay, over and above the tax of ten (10) francs, a surtax of four (4) francs per ton on their net tonnage.

ART. 12

The charges for towage in the Canal by the working stock of the Company are fixed as follows:

For sailing vessels measuring 400 tons and under, 1,200 francs; for sailing vessels measuring above 400 tons, 1,200 francs for the first 400 tons and 21½ francs for every surplus ton.

For steamers measuring above 400 tons, 2 francs per ton, without any distinction, upon their whole tonnage, but on the condition that they use their propelling power, or keep it in readiness for assisting the tug.

Steamers measuring under 400 tons, also steamers not intending to give the assistance of their propelling power will pay the same as sailing vessels.

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(1) The Constantinople decision has provided no reduction of the surtax of four (4) francs. The company thinking that ships would provide themselves within the least delay with the special tonnage certificates prescribed by the said decision, has allowed a reduction of 50 centimes per ton on ships bearing former official papers.

From and after the 1st of January 1879 every vessel not bearer of a Suez canal special tonnage certificate, shall pay the full surtax of four (4) francs.

The charges for towage in the roads by the working stock of the Company, on ships applying for such service, are fixed as follow:

For steamers or sailing ships, without distinction, the tariff is 0 fr. 25 centimes per ton of net tonnage, for the distance between the inner basins and the end of the Jetties and reciprocally : the amount levied never to be under fifty (50) francs.

For towage to a greater distance the amount shall be settled by private agreement.

In the event of compulsory stoppage or grounding in the Canal or in the ports thereunto appertaining, the agents of the Company shall have the right to employ, of their own accord, a tug to re-establish a free passage and thus avoid delaying other vessels ; all charges to be defrayed by the ships thus assisted in conformity with article 9.

The charge under the circumstances now described will be for every twelve hours :

A tug of the first class.....	1,200 fr.	„
„ „ second class.....	800	„

Every day begun to be reckoned as a whole day.

Whenever a ship shall have been floated off, and continued her route under tow of a tug, she must in addition defray the services of the tug according to the tariff of charges.

When a ship shall require a tug to accompany her, the charge for such services will be 1,200 francs a day, if a tug of the first class be employed, and 800 francs a day for a tug of the second class. In the event of a stoppage the tug will render assistance in getting the vessels under weigh, each time that it may be necessary. If the vessel is towed any distance exceeding that of one station from another, the charge for towage may be demanded in lieu of the tariff fixed for accompanying her.

It is hereby provided that when a tug shall only have accompanied or towed a vessel one half of the length of the Canal, 600 francs shall be levied for the return trip of a first class, and 400 francs for a second class tug, and one half only of the total towage dues shall be charged. No other division than that of half shall be allowed ; from Ismailia to Port-Said being considered one half on one side and from Ismailia to Suez the other half, on the other side.

All ships towed must furnish their own warps.

For the towing of monitors, loaded or empty lighters and other exceptional vessels, arrangements by contract to be made by private agreement.

Shipowners are authorized to have their vessels towed and accompanied by their own steam tugs, all responsibility connected with such acts devolving upon themselves.

Such tugs are to be approved of by the Canal Company.

Ships towed or accompanied by tugs belonging to their owners will pay 0 fr. 50 cent. (fifty centimes) per ton as towage dues.

Such tugs whenever they shall tow or accompany vessels belonging to their own proper owners will be free of any tax whatever.

Whenever they shall go through the Canal for the purpose of meeting vessels of their owners which they are entitled to tow or accompany, or otherwise returning to their usual residence after having towed or accompanied them through, said tugs shall not be submitted to payment of the special navigation dues but they will be obliged to pay pilotage dues and take a pilot on board.

Tugs in question are subject to berthing dues.

Any transport of goods or passengers is prohibited to them ; the fact of having on board passengers or goods would entail upon them the payment of all dues and charges to which ships in transit are subject.

Whenever said tugs shall be used for towing or accompanying vessels not belonging to their own proper owners, the same dues and charges shall be levied on them as on ships in transit.

Besides the special treatment specified by the present article, tugs belonging to private owners shall be subject to the strict observance of the present regulations concerning vessels berthing or in transit.

ART. 13.

The pilotage charges for traversing the canal are levied according to draft of water and are as follows :

All ships whose draft of water is 3 metres or under, 5 francs for each decimetre of immersion ;

All ships drawing from 3 m. to 4 m. 50 — 10 fr. per decimetre.

„ 4 „ 50 to 6. „ — 15 „

„ 6 „ — to 7. 50 — 20 „

Pilotage charges for entering the port of Port-Said and leaving the same are fixed as follows :

Pilotage by day-time.....	steamers.....	25 francs.
	sailing ships.....	10 „
Pilotage by night-time before sunrise and after sunset.....	steamers.....	50 „
	sailing ships.....	20 „

The payment of the pilotage charge for entering the port of Port-Said and leaving the same is compulsory on every ship measuring one hundred (100) tons gross and upwards.

Whatever length of time ships may stay in the harbour of Port-Said and whatever commercial operations they may transact there, total remission will be made of the pilotage charges for day-time entrance, or remission of half the charge for night-time entrance, provided that *immediately on arrival in port* it be declared either to the pilot in charge or to the company's agency that they are intended for transit.

In default of such declaration, pilotage charges for entrance in harbour incumbent on non-transiting vessels shall be levied.

The charge for pilotage by night-time on entering the port of Port-Said or leaving the same is fixed as follows for ships performing the passage of the Canal :

Steamers.....	25 francs.
Sailing ships.....	10 „

Twenty (20) francs per day is levied for pilots kept on board in case of berthing (1).

ART. 14.

The Company receive at their Offices in Paris, payments in advance on account of transit and any other dues specified in the present regulations either from shipowners direct, or thro' the medium of Agents employed by shipowners at their own risk and peril.

The Administration in Paris will give, on receiving such amounts in deposit *receipts of the same*, which can be handed over as cash to the Company's Agents in Egypt entitled to collect the dues.

(1) In the pilotage charges are included remuneration for maintenance of beacons, sidings, telegraphy, watch men, signals and other means established by the Company along the canal to ensure, in every way, the safety and good navigation of ships.

The Company's Agents entitled to collect the dues in Egypt, are moreover empowered *with respect to ships whose owners have made the above payments for transit in advance in Paris at the Company's cash office*, to accept the captain's draft at sight on the owners for any balance that may be due for pilotage and other charges.

In the event of payments in advance not being effected in time to remit *receipts* thereof to the captains, the Company will inform by telegraph, their Agents in Egypt of the amounts so paid. The cost of telegrams to be defrayed by the shipowners.

This last clause is equally applicable to payments in advance made in Paris for dues of ships coming from beyond or eastward of Suez.

(Sigd.) FRED. DE LESSEPS,

Paris, March 12th, 1878. *President-Director.*

Provisionally and until further orders, ships, barges, lighters and other craft, either coming in ballast or empty from Port-Said under orders for Ismailia or returning from Ismailia to Port-Said with cargoes of native produce; or bringing from Port-Said to Ismailla cargoes bound to districts of Lower Egypt next to the Canal, and returning empty or in ballast from Ismailia to Port Said, shall be exempted, either outward or homeward bound whether they be empty or in ballast, from the special navigation dues and shall only be subject to the payment of five (5) francs per ton and of the surtax settled by the Constantinople Commissioner, representing the special navigation dues on half the length of the Canal for their passage when loaded outward or homeward bound.

Such toll is to be prepaid when said ships, barges, lighters or other craft enter the Canal in ballast or empty to go and take cargo of native produce at Ismailia as well as when loaded.

As regards dues or charges other than the special navigation dues (viz; berthing, pilotage, towage dues, etc.), said ships, barges, lighters or other craft are bound to pay them in full.

FUNDS OF THE CHAMBER.

THE Chamber's balance on 30th April 1878 amounted to Rupees 4,539-14-8, exclusive of Rupees 12,000 in 4 per cent. Government Securities.

S. COCHRANE,
Vice President.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce from 1st November 1877 to 30th April 1878.

	Rs.	A.	P.		Rs.	A.	P.	Rs.	A.	P.
To Office Rent	900	0	0	By Balance of 1st Nov. 1877—						
„ Establishment	5,361	0	0	Cash in Bank of Bengal...	499	1	10			
„ Charges General	2,928	2	5	„ „ hand ...	2,261	7	3			
	9,189	2	5					2,760	9	1
To Balance—				„ Government Paper				12,000	0	0
Cash in Bank of Bengal 738 8 3				„ Interest thereon				240	0	0
„ in hand ... 3,801 6 5				„ Subscriptions	7,826	0	0			
Government Paper ...12,000 0 0				„ Price Current and other publications ...	2,902	8	0			
	16,539	14	8					10,728	8	0
Rupees	25,729	1	1	Rupees				25,729	1	1

CALCUTTA,
30th April 1878.

E. E.

H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the PORT OF CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 12th February 1872, with effect from 1st September 1872, except as regards the measurement of Cotton, Hemp, Jute, Jute Cuttings, Rhea, Safflower, and other articles similarly packed, which, under the Chamber's Resolution of 14th June 1872, had effect from 1st July 1873.

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Aloes, in bags and boxes	20	.....
Alum, in ditto	20	.....
Aniseed, in bags	8	.....
Arrowroot, in cases	.....	50
Arsenic, in bags or cases	20	.....
Asafœtida, in bags and boxes ...	20	.....
Apparel, in boxes	.....	50
Bark, in bags	8	.....
Bees' Wax	20 gross	
Barilla	20	.....
Betel-nut	20	.....
Books	.....	50
Borax	20	.....
Bran	14	.....
Brimstone	20	.....
Bullion	at per cent.	
Cake-lac, in bags	16	.....
Camphor, in cases	.....	50
Cardamoms, in robins	8	.....
,, boxes	.....	50
Cassia, in boxes	.....	50
,, bags	12	.....
Castor Seed	15	.....
Chillies, (dry) in bags	8	.....
China Root, in bags	11	.....
,, boxes	.....	50
Chiretta	.....	50
Churrah	14	.....
Cigars	.....	50
Cloves, in bags	8	.....
,, boxes	.....	50
Coals	20	.....
Cochineal	.....	50
Coffee, in bags	18	.....
,, casks	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Coral, rough	20	.....
Coir, loose and unscrewed	12	.....
Copras, or Cocoanut Kernel	14	.....
Coriander Seed	12	.....
Cotton	.....	50
Cowries	20	.....
Cummin Seed	8	.....
,, Black	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
,, dry	16	.....
Dholl	20	.....
Elephants' Teeth in bulk	20	.....
Furniture	.....	50
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Gums, in cases	.....	50
Gunny Bags and Gunny Cloth	.....	50
Gunjah	.....	50
Hemp	.....	50
Hides, Buffalo, or Cow, cured ...	14	.....
Hoofs, Horn Shavings and Tips ...	20	.....
Horns, Cow, Buffalo, or Deer ...	20	.....
India Rubber, in bags	16	.....
,, in cases	.....	50
Indigo	.....	50
Iron	20	.....
Jute	.....	50
Jute Cuttings	.....	50
Lac Dye	.....	50
Lard	20 gross.	
Linseed	20	.....
Mace	.....	50
Machinery	20	.....
Metals	20	.....
Mathie Seed	18	.....
Mirabolams	16	.....
Molasses	2 puncheons or 4 hhds.	
Mother o'Pearl, in bags	20	.....
,, chests	20	.....
Munjeet	.....	50
Mustard or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	.....	50

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	50
„ casks	4 hhds.	
Opium	per chest	
Paddy	16	.....
Palmatine, in bags	16	.....
Peas	20	.....
Pepper, Long	12	.....
„ Black	14	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Putchuck	10	.....
Rags	.....	50
Raw Silk, in bales	10	.....
Rattans for dunnage	20	.....
Red Wood, ditto	20	.....
Rhea	.....	50
Rice	20	.....
Rope, in coils	.....	50
„ Lines and Twines, in bundles ...	16	.....
Rum, in casks	2 puncheons or 4 hhds.	
Safflower	.....	50
Sago, in cases	.....	50
Sal-amoniac, in bags	20	.....
„ boxes	20 gross.	
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	.....	50
Seed-lac, in cases	.....	50
„ bags	16	.....
Senna	.....	50
Shells, rough, in bags	20	.....
Shell-lac, in cases	.....	50
„ bags	16	.....
Silk Chussum	.....	50
„ Waste	.....	50
Silk Piece Goods	.....	50
Skins	14	.....
Soap, country, in cases	.....	50
„ bags	15	.....
„ bar	20	.....
Stick Lac, in cases	.....	50
„ bags	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Sugar	20	.....
Tallow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks.. ...	20	.....
Tapioca	.....	50
Tea	.....	50
Teel Seed	20	.....
Timber, round	.....	40
,, squared	.....	50
Tincal	20	.....
Tobacco, in bales	16	.....
Tortoise Shells, in chests	.....	50
Turmeric	16	.....
Wheat	20	.....
Wool	.....	50

1. Goods in Casks or Cases to be calculated gross weight when paying freight by weight; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in bales varying from 300 to 400 lbs.

4. The term "dead weight" shall be understood to mean the following articles:—Sugar, Saltpetre, Rice, Wheat, Gram, Dholl, Peas, Linseed, Rapeseed and all Metals.

H. W. I. WOOD,

Secretary.

SCHEDULE OF COMMISSION CHARGES,

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce held on the 18th June 1861,—with effect from 1st January 1862.

1.	On the sale, purchase, or shipment of Bullion, Gold Dust or Coin	1	per cent.
2.	On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones, or Jewellery	2½	„
3.	On purchasing ditto when funds are provided by the Agent	5	„
4.	On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ...	5	„
5.	On returns for Consignments if made in produce ...	2½	„
6.	On returns of Consignments if in Bills, Bullion, or Treasure	1	„
7.	On accepting Bills against Consignments ...	1	„
8.	On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ...	2½	„
9.	On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn ; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2*s.* per rupee.	half com.	
10.	On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent ...	2½	per cent.
11.	On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived	2½	„

12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money ... ... 2½ per cent.
13. On *del-credere* or guaranteeing the due realization of sales ... ... 2½ „
14. On the management of Estates for Executors or Administrators ... ... 2½ „
15. On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading ... ... 2½ „
16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ... 2½ „
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive 5 „
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings .. ... 5 „
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file ... ... 2½ „
20. On realising inward freight, inward troop, Emigrant, or Cabin passage money ... ... 2½ „
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ... 5 „

If Opium, Indigo, Raw Silk, or Silk Piece Goods... 2½ „
If Treasure, Precious Stones, or Jewellery ... 1 „

22. On effecting Insurances, whether on lives or property ... . ½ per cent.
23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium ... ... 2½ „
24. On drawing, purchasing, selling, or negotiating Bills of Exchange ... ... 1 „
25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... 2½ „
    Or if recovered by such means ... ... 5 „
26. On Bills of Exchange returned dishonored ... 1 „
27. On collecting House Rent ... ... 2½ „
28. On ship's Disbursements ... ... 2½ „
29. On realising Bottomry Bonds, or negotiating any loan on *respondentia* ... ... 2½ „
30. On granting Letters of Credit ... ... 1 „
31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another ... ... ½ „
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ½ „
33. On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged ... ... ½ „

☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

Aikman, J., Esq., *Acting Agent, Chartered Bank of India, Australia and China.*
Agelasto, A. and Co.
Apcar and Co.
Ashburner and Co.
Anderson, Wright and Co.
Barlow and Co.
Begg, Dunlop and Co.
Burn and Co.
Bulloch Wellsted and Co., *(Mofussil.)*
Carlisles Nephews and Co.
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Cochrane, S., *Manager, Agra Bank, Limited.*
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Cox, Henry S.
Cohn Brothers and Fuchs.
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Duncan Brothers and Co.
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Ernsthausen and Oesterley.
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Ezra, E. D. I.
Fergusson, J. H. and Co.
Finlay, Muir and Co.
Gisborne and Co.
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Graf and Banziger.
Graham and Co.
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Gubbay, Elias S.
Harper, G. Esq., *Agent, Oriental Bank Corporation.*
Henderson George and Co.
Heilgers, F. W. and Co.
Herbert, C. H., Esq., *Agent, Chartered Mercantile Bank of India, London and China.*
Hoare, Miller and Co.
Howe, Goodwin & Cole.
Huber and Co.
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Kettlewell, Bullen and Co.
Kelly and Co.
Ker, Dods and Co.
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Macallister, R. and Co.
Mackinnon, Mackenzie and Co.
Mackenzie, Lyall and Co.
Macneill and Co.
Macknight, Anderson and Co.
McIntosh, A. R. & Co.
Moran, W. and Co.
Nicol, Fleming and Co.
Oldmeyer and Hadenfeldt.
Payn, T. Esq., *Manager, Comptoir d'Escompte de Paris.*
Petrocochino Brothers.
Prawnkissen Law and Co.
Prestage, F. Esq., *Agent of the Eastern Bengal Railway Company.*
Ralli Brothers.
Ralli and Mavrojani.
Reinhold and Co.
Robert and Charriol.
Rentiers and Co.
Schroder, Smidt and Co.
Schoene, Kilburn and Co.
Sassoon, David and Co.
Shaw, Finlayson and Co.
Steel Octavius & Co.
Thomas, J. and Co.
Turner, Morrison and Co.
Toulmin, L. W. and Co.
Tamvaco and Co.
Tambaçi, Paul and Son.
Ullmann, Hirschhorn and Co.
Valetta, N. J. and Co.
Weinholt Brothers.
Winton, J. *Agent, Hong-Kong and Shanghai Banking Corporation.*
Wilkinson, Captain C. J., *Superintendent P. & O. Company.*
Wilson, H. F., *(Mofussil.)*
Windram, J., *Manager, National Bank of India.*
Whitney Brothers and Co.
Williamson Brothers and Co.
Wiseman, Mitchell, Reid and Co.
Yule, Andrew and Co.

Honorary Member.
J. A. Crawford, C. S., late Collector of Customs.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

First .... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second.... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.

Third....That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.

Fourth....That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth.....That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth ... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth.... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature ; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the members of the Committee shall be forthwith filled up by selection by the Committee subject to approval at first ordinary general meeting thereafter.

☞ *It is specially requested that before a member is returned to serve on the Committee his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.*

Ninth... That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.

Tenth... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.

Eleventh. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.

Twelfth. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Thirteenth. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting, at which such report and proceedings of the Committee shall be submitted for approval.

Fourteenth. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Fifteenth. That General Meetings of the Chamber shall be held at such times as the Com-

mittee may consider convenient for the despatch of business.

Sixteenth. That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.

Seventeenth. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.

Eighteenth. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.

Nineteenth. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.

Twentieth. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.

Twenty-first. That the Chamber reserves to itself the right of expelling any of its members;

such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third... That no change in the rules and regulations of the Chamber shall be made except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

Cones and Co., No. 307, Bow Bazar Street.

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